

Licensed Child Care in Washington State: 2000

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Licensed Child Care in Washington State: 2000

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ACKNOWLEDGEMENTS

Research and Data Analysis (RDA) first became involved in child care research in 1987. At that time, responsibility for child care programs was divided between the Childrens Administration (CA) and the Economic Services Administration (ESA). Tim Brown, Judy Olmstead, Dave Pavelcheck, and Chuck Miller at RDA recognized the need for a child care research group, and RDA became involved in conducting market surveys in preparation for the Family Independence Program (FIP).

Over the next fourteen years, RDA continued to play a crucial role in conducting market rate surveys of child care providers and providing information on the expanding DSHS child care subsidy program. Marna Miller was hired in 1991 as a child care researcher at RDA. She supervised the first five biennial market surveys and developed the use of the survey data to model the cost of changing DSHS subsidy rates. Dr. Miller also supervised the creation of a database on DSHS subsidized child care used for federal reporting and to answer questions about the burgeoning child care subsidy programs.

Ten years ago, the DSHS' biennial child care budget was \$150 million and the subsidy programs served 20,000 children per month. In the current biennium, the child care budget is about \$600 million and the subsidy programs serve about 80,000 children per month.

In response to that growth, the Division of Child Care and Early Learning was formed in 2001. This new division within ESA combines many child care programs that had previously been divided mainly between the Childrens and Economic Services Administrations. With that unification, the decision was made to move the child care research unit at RDA to the newly formed division. In the same year, Marna Miller left for new research opportunities with the Washington State Institute of Public Policy at Evergreen State College.

Child care research is indebted to many people for the progress made over the past fourteen years: to Tim Brown and Liz Kohlenberg for their support of child care research as Directors of RDA; to John Tarnai, Rosie Pavlov, Marion Landry, Jolyn Persons and others at the Social and Economic Services Research Center at Washington State University who have conducted the market rate surveys; and to Marna Miller for her dedication to child care for the past ten years.

Finally, we thank the many providers that took the time to answer the 2000 market rate survey. It is only with their help that we were able to produce this report and have such excellent information on child care in Washington State.

This report was produced with the expert help of Pamela Stoney and Nora Ellsworth at RDA.

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EXECUTIVE SUMMARY

Background

Washington State's Department of Social and Health Services (DSHS) subsidized part of the child care costs for about 68,800 children each month in 2000. These children are from low-income families with parents who are working, going to school, homeless, or eligible based on some other DSHS program. The number of children receiving DSHS subsidies has tripled in the past decade. About two-thirds of children with DSHS-subsidized child care attend licensed family homes or child care centers.

Federal regulations require that Washington State tie their subsidy rates to a local market survey of child care rates conducted at least every two years. To comply with this regulation DSHS conducts a biennial survey of all child care centers and a sample of licensed family home providers. In addition to child care rates, the surveys provide information on the child care industry. This report describes the surveys conducted in early 2000. A total of 1,414 child care centers and 1,385 family home providers were interviewed.

Major Findings

- The price of child care has increased much faster than inflation in the past decade. From 1990 to 2000 the inflation-adjusted price of care increased 31 percent in centers and 28 percent in homes. That amounts to an annual rise in the price of care—after accounting for overall inflation—of 2.7 percent in centers and 2.5 percent in homes.
- From 1998 to 2000 the average price of center care after adjusting for inflation climbed by 7 percent (from \$479 to \$513) and that for full-time care in licensed family homes went up 6 percent (from \$429 to \$455). The annual inflation-adjusted price of care rose 3.5 percent in centers and 2.9 percent in homes in the two years 1998 to 2000.
- The proportion of children in licensed care whose care is subsidized by DSHS has risen substantially in recent years. After remaining at about 15 percent from 1990 through 1996, the proportion of children in licensed care subsidized by DSHS rose to 19 percent in 1998 and to 25 percent in 2000. In the four years between 1996 and 2000 the proportion of full-time children in licensed family homes that are subsidized by DSHS rose from 18 percent to 36 percent.
- The number of licensed family homes declined from 8,600 in 1996 to 7,159 in 2001, a decline of 17 percent. The decrease in family homes was greatest in King County—a loss of 770 licensed family homes in five years for a decline of 36 percent. The decline in number of family homes has been driven by both a decline in the number of new providers entering the business and an increase in the proportion of providers leaving the business.

- The 2000 surveys asked about staff turnover in child care centers—the number of individuals that had been hired in about the last six months. Approximately 18 percent of teachers and 40 percent of aides had been hired within the last six months. Annual attrition for employees of child care centers was estimated to be 53 percent using Employment Security data.
- Over the past eight years there has been a shift of the proportion of children in licensed care that are in licensed family homes. While 39 percent of children in licensed care attended licensed family homes in 1992, only 29 percent of children in licensed care attended licensed family homes in 2000.
- The 2000 surveys collected information on the number of children with special needs attending child care centers and homes. Approximately 60 percent of centers and 32 percent of homes served at least one child with special needs. Four percent of all children in centers and eight percent of children in licensed homes were identified as having special needs. The proportion of children identified by family home providers as having special needs varied from four percent of infants to almost ten percent of school-age children.

General Information

Findings About Child Care Rates and the Child Care Market

- DSHS maximum subsidy rates in the spring of the 2000 were based on the 71st percentile of the 1998 survey. But inflation in child care prices since the 1998 survey had effectively reduced the percentile of the market that DSHS bought to approximately the 50th percentile by the time of the 2000 survey.
- Child care prices vary by geographic area, with child care prices in King County being higher than those in the rest of Western Washington and prices in Western Washington being higher than those in Eastern Washington. The wealth of a county is a strong predictor of child care prices: over forty percent of the variation in preschool rates in centers and over twenty-five percent of the variation in preschool rates in family homes is explained by county median household income.
- An estimated 164,300 children in Washington State were in licensed care in early 2000. Almost seventy percent of these children were in child care centers and the remaining thirty percent were in licensed family homes.
- Licensed providers grossed almost \$750 million dollars in 2000 and employed approximately 29,000 people.
- Information from the child care surveys was combined with Census data to estimate the proportion of children of various ages in licensed care at the time of the child care surveys. About one out of every four preschoolers (children between 2.5 and 5.5), one out of every nine toddlers (children 12 to 29 months old), and one out of every ten infants (under 12 months old) were in licensed care at the time of the surveys in the spring of 2000.

Findings About Child Care Centers

- The number of children in child care centers grew 36 percent in ten years, rising from 85,000 in 1990 to 116,000 in 2000.
- Thirty-eight percent of children in child care centers in 2000 were preschoolers; 4 percent were infants.
- The vast majority of centers provide full-time care for preschool age children (71 percent), while only about one-third of centers provide full-time care for infants (34 percent).
- Fifty-four percent of children in centers in 2000 received full-time care (at least thirty hours per week).
- The proportion of centers with vacancies varied from 66 percent in 1996 to 57 percent in 1998 to 64 percent in 2000; the vacancy rate, which declined from 16 percent to 12 percent between 1996 and 1998, rose slightly to 12.6 percent in 2000.
- At the time of the 2000 survey, pay for teachers at centers averaged \$8.66 per hour and that for aides averaged \$7.33 per hour. Average real wages for child care workers (wages adjusted for inflation) stalled between 1992 and 1998. Since 1998, perhaps spurred by the increases in the minimum wage, average real wages for child care workers have risen.
- In the spring of 2000 only 10 percent of centers opened before 6 in the morning and 5 percent closed at 7 or later in the evening. Three percent of centers were open on the weekends.

Findings About Licensed Family Homes

- After a period of growth in the early 1990s, the number of children in licensed family homes declined from 60,100 in 1994 to 48,300 in 2000, a decline of 20 percent in six years.
- Thirty-five percent of children in licensed family homes in 2000 were preschoolers; 7 percent were infants.
- Most licensed family homes provide full-time child care for preschoolers (73 percent), while somewhat more than one-quarter of family homes provide full-time care for infants (29 percent).
- Fifty-seven percent of children in licensed family homes in 2000 received full-time care.
- Somewhat more than half of family homes (56 percent) had been in operation for four years or more.
- Forty-three percent of family homes in the spring of 2000 had vacancies, a rise from 37 percent in 1998. The 2000 vacancy rate of 15.5 percent for family homes was an increase in the vacancy rate in 1996 and 1998 of 14 percent.
- The share of family home providers with formal training in early child education or child development increased from 56 percent in 1994 to 82 percent in 2000.

- The average yearly income of family home providers increased at an annual rate of six percent in the four years from 1995 to 1999. Inflation adjusted income rose from \$18,847 to \$23,885. The longer a family home provider has been in business and the more the provider depends on child care as a source of income, the higher the provider's average earnings.
- At the time of the 2000 survey, 68 percent of family homes had liability insurance, compared to 69 percent in 1998 and 58 percent in 1996.
- Seventy-three percent of licensed family homes participated in the USDA food program in 2000, a decline from 77 percent in 1998.
- Eighteen percent of licensed family homes opened before 6 in the morning; 12 percent closed at 7 or later in the evening. Seventeen percent of licensed family homes were open on the weekend.

Findings About DSHS-Subsidized Child Care

- According to DSHS payment records, child care was subsidized for 130,000 children over the course of federal fiscal year 2000. In February through April 2000 an average 64,200 children had child care subsidized by DSHS. About 65 percent of these children, or 41,700, were cared for in a licensed family home or child care center.
- According to the 2000 child care surveys, an estimated 40,930 children received subsidized child care in either a licensed family home or child care center in early 2000.
- Twenty-three percent of children in centers and 29 percent of children in family homes received child care subsidized by DSHS in early 2000.
- At the time of the 2000 surveys, 84 percent of centers and 58 percent of licensed family homes cared for at least one DSHS-subsidized child.
- Statewide, 29 percent of children in licensed family homes in spring of 2000 were subsidized by DSHS; however, 73 percent of children cared for by Hispanic providers and 63 percent of all children cared for by black providers were subsidized by DSHS.
- In licensed family homes, children with subsidized child care were about twice as likely to be identified as having special needs compared to children whose care was not subsidized (13 percent versus 6 percent). In centers, the greater the proportion of children in a center receiving child care subsidies, the higher the proportion of children attending the center who have special needs (2.9 percent for centers with less than 10 percent subsidized by DSHS, 3.8 percent for centers with 10 to 25 percent subsidized children, and 6.5 percent of centers with over 25% subsidized children).
- Compared to licensed homes serving no DSHS subsidized children, homes with at least one DSHS child are much more likely to open before 6 a.m. (6 versus 25 percent) and close after 6 p.m. (5 versus 25 percent). Centers with high proportions of subsidized children are more likely to open before 6 a.m. and somewhat more likely to close after 6 p.m. than centers that serve few children with subsidized child care.

CHAPTER 1. INTRODUCTION

As of the spring of 2000, the Department of Social and Health Services (DSHS) subsidized child care for about 64,200 children a month. About 41,700 of these children received care in the licensed child care market. The other 22,500 children received subsidized care either in their own home or in the home of a relative.

State and federal regulations require DSHS to set subsidy rates based on child care market surveys conducted at least every two years. If subsidy rates are too low compared to the going market rates, then many providers may either not accept or limit the number of subsidized families they will serve. The child care surveys enable DSHS to tie their rates to market rates and to set those rates by region so that subsidized children around the state have equal access to the market. The setting of market based local child care rates is the primary purpose of the surveys described in this report.

A secondary objective of the surveys is to provide information about child care centers and licensed family homes in Washington State. The many issues covered by the surveys include:

- the population of children receiving licensed child care;
- capacity and vacancies in licensed facilities;
- the costs associated with providing child care, such as salaries, benefits, liability insurance, and rent or mortgage;
- characteristics of providers, such as professional education, years in operation, and center type;
- number of providers caring for DSHS subsidized children;
- hours of operation; and
- trends in rates, compensation, and other changes in the child care market.

Background

The Department of Social and Health Services has been helping families pay for child care since DSHS was created in the late 1970s. The programs were small at that time and targeted to very specific populations. Each program had its own funding stream and rules. In the past ten years, as the importance of child care for the employment of low-income families has become apparent, both state and federal funding of child care programs has increased. Guided by federal rules, state legislative mandates, and its own commitment to supporting families with children, DSHS has moved from a fragmented set of small programs toward a system with one set of income eligibility criteria and one payment schedule for all programs.

With the introduction of Washington's pilot welfare reform program, the Family Independence Program (FIP), the state began paying for child care based on market surveys of child care rates. The use of market surveys allows DSHS rates to reflect the private market and to account for differences in markets. DSHS sets rates at a uniform percentile across markets. This means that parents should have equal access to the same percent of slots regardless of where they live, what type of provider they choose, and the age of their child or children.

DSHS surveys the child care market every two years. Following the legislative appropriation of funding, DSHS sets new subsidy rates at the highest percentile the appropriation will support.

Geography and Child Care Markets

Market rates for child care vary widely across Washington State. In setting regional rates, DSHS aims to ensure that clients throughout the state have equal access to child care, whether they live in areas with costly child care or in areas with relatively inexpensive care.

Before 1995, DSHS used the market surveys to identify clusters of counties with similar rates. Counties in the same cluster had the same rate schedule. Unfortunately, these clusters of counties proved to be unstable, needing re-definition with each market survey. The six DSHS Administrative Regions therefore were selected as the permanent geographical basis for setting subsidy rates for child care. The DSHS regions are stable, well recognized, and permit reasonable estimates of local markets.

The distribution of counties among DSHS Regions is shown in Figure 1 and Table 1.

Figure 1. DSHS Administrative Regions

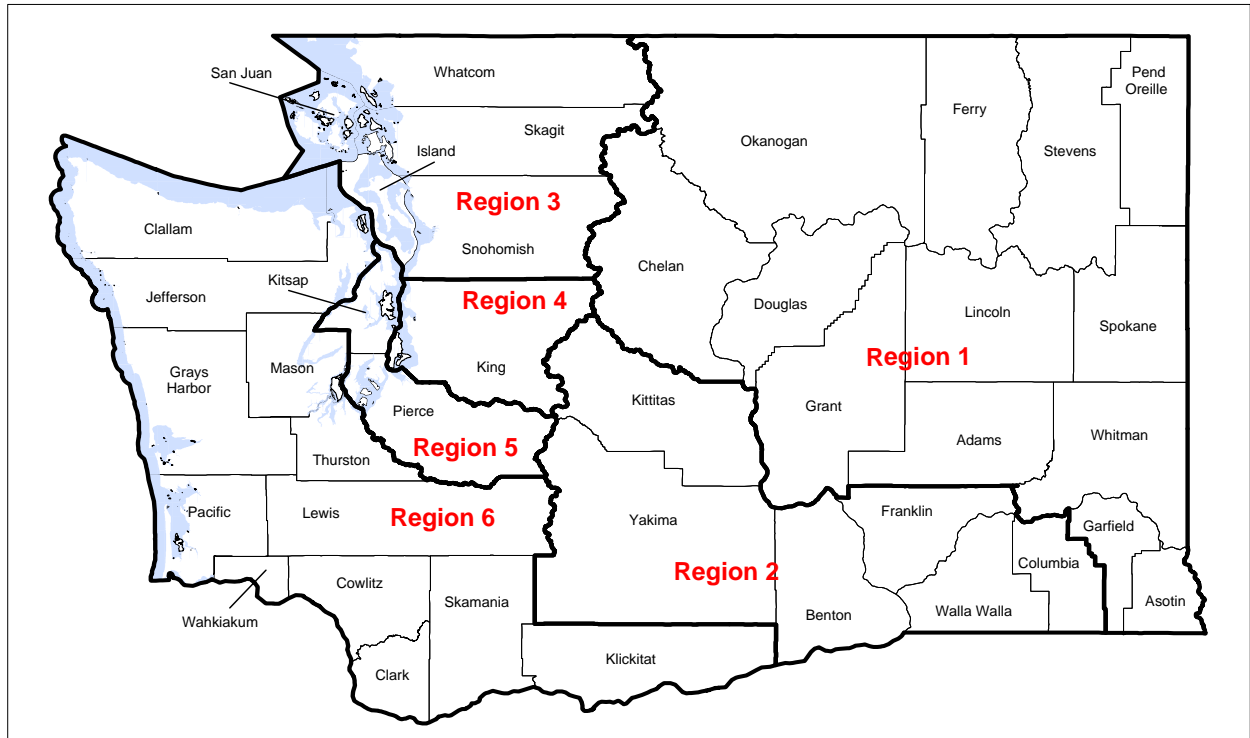


Table 1. Assignment of Counties into DSHS Regions

<u>Region 1</u>	<u>Region 2</u>	<u>Region 3</u>	<u>Region 4</u>	<u>Region 5</u>	<u>Region 6</u>
Adams	Benton	Island	King	Kitsap	Clallam
Asotin	Columbia	San Juan		Pierce	Clark
Chelan	Franklin	Skagit			Cowlitz
Douglas	Kittitas	Snohomish			Grays Harbor
Ferry	Walla Walla	Whatcom			Jefferson
Garfield	Yakima				Klickitat
Grant					Lewis
Lincoln					Mason
Okanogan					Pacific
Pend Oreille					Skamania
Spokane					Thurston
Stevens					Wahkiakum
Whitman					

Study Methods

Licensed Facilities

The child care surveys examine the two types of child care facilities licensed in the state of Washington: (1) child care centers (often referred to as centers), and (2) family child care homes (also referred to as family homes or homes). These surveys do not address unlicensed or illegal care. (Not all unlicensed care is illegal. Paid child care provided in the child's home or in the home of a relative is not subject to licensing; it is legal and is exempt from licensing.)

Centers, defined as facilities that are not residences, are licensed to care for a specific number of children based on staff and space requirements. Family homes are located in residences and are licensed to care for up to 12 children at the same time—subject to the provider's education, experience, and staffing.

Survey of Child Care Centers

Under contract with DSHS, staff at Washington State University's Social and Economic Sciences Research Center (SESRC) attempted to interview directors of all licensed child care centers in Washington State. The list of 2,004 centers comprised every child care center in the state licensing file as of December 15, 1999.

SESRC attempted to contact all child care centers. In the course of conducting the survey an additional twenty-four centers were identified. Most of the phone interviews were conducted in February through April of 2000. Some information from multiple-site centers was collected using either a phone or mail survey with the executive director.

Completion rate statistics for centers are summarized in Table 2. Interviewers disqualified 184 centers because they were out of business or not currently offering child care. Of the remaining 1,844 centers, 1,414 completed interviews for a completion rate of 76.7 percent of eligible centers. If a center had a working phone number, interviewers attempted fifteen phone calls before dropping that center from the sample.

Table 2. 2000 Center Survey—Sample Completion Rate Statistics

		<u>Number of Centers</u>	<u>Sub-Total Percent</u>	<u>Grand-Total Percent</u>
<u>Eligible Child Care Centers</u>				
Completed Interviews ⁽¹⁾		1,414	76.7%	69.7%
Phone Interviews	1,335			
Mail Questionnaire	79			
Refused		33	1.8%	1.6%
Not Available ⁽²⁾		397	21.5%	19.6%
Sub-total		1,844	100.0%	90.9%
<u>Excluded Child Care Centers</u>				
Ineligible ⁽³⁾		53	28.8%	2.6%
Non-Working Number ⁽⁴⁾		58	31.5%	2.9%
Electronic Device+Other ⁽⁵⁾		73	39.7%	3.6%
Sub-total		184	100.0%	9.1%
Total Sample		2,028 ⁽⁶⁾		100%

⁽¹⁾ Includes 21 partially completed interviews.

⁽²⁾ Unable to reach in fifteen attempts, answering machine, or language problem. Includes 24 partial completes.

⁽³⁾ No longer in business.

⁽⁴⁾ Disconnected or wrong numbers where correct number could not be identified.

⁽⁵⁾ Duplicates, electronic devices, and temporary centers.

⁽⁶⁾ Includes 24 centers identified during the interviewing process as new branches of multiple-site centers.

Source: DSHS Research and Data Analysis
2000 Survey of Child Care Centers

Survey of Family Homes

In December of 1999 there were 7,208 family homes licensed in Washington State. In order to reduce the cost of conducting the family home survey, not all family homes were contacted. Since the survey aims to describe local child care markets, with the smallest unit being the county, only a sample of family homes in the larger counties was selected. All providers were contacted in the fifteen counties with under forty family homes. The next section of this chapter describes the sampling strategy.

Interviewers at SESRC attempted to contact 2,008 family homes by telephone, almost 20 percent of the state's licensed family home child care providers. Most of the interviews were done in February and March 2000. The data from these interviews reflect the child care market as it existed during the school year.

Interviewers disqualified 396 providers who were out of business, operating as a child care center, or not currently offering child care. Of the remaining 1,612 eligible family homes, 1,385 completed interviews for a completion rate of 86 percent. Two hundred and twenty-seven eligible providers either refused to participate in the survey or were unavailable during the interview period. Interviewers attempted to call all working phone numbers fifteen times. Completion rate statistics for the family home survey are summarized in Table 3.

Table 3. 2000 Family Home Survey—Sample Completion Rate Statistics

	<u>Number</u>	<u>Sub-Total Percent</u>	<u>Grand-Total Percent</u>
<u>Eligible Family Homes</u>			
Completed Interviews ⁽¹⁾	1,385	85.9%	69.0%
Refused	82	5.1%	4.1%
Not Available ⁽²⁾	145	9.0%	7.2%
Sub-total	1,612	100.0%	80.3%
<u>Excluded Family Homes</u>			
Ineligible ⁽³⁾	209	52.8%	10.4%
Non-Working Number ⁽⁴⁾	187	47.2%	9.3%
Sub-total	396	100.0%	19.7%
Total Sample	2,008		100%

⁽¹⁾ Includes 7 partially completed interviews.

⁽²⁾ Unable to reach in fifteen attempts, answering machine, or language problem. Includes 50 partial completes.

⁽³⁾ Not a child care provider or not a family home.

⁽⁴⁾ Disconnected or wrong numbers where correct number could not be identified, duplicates, or electronic device.

Sampling Methods for the Family Home Survey

Many counties in Washington State have less than thirty licensed family homes. If we drew a random sample of homes, then we would have too few homes to be able to report data for these smaller counties. To reduce the chance that small counties might be under-represented, we stratified the sample according to the number of licensed family home child care providers in a given county. The number of licensed homes varied widely among counties, from zero in Wahkiakum County to over 1,600 in King County (see Table 4 and Appendix A1 or B3).

There were 7,208 DSHS licensed family homes in the state as of December, 1999. We separated counties into seven groups or strata. In fifteen counties with forty or fewer homes, every provider was included in the sample. For all other counties, the smaller the number of licensed family homes in a county, the greater the proportion of homes surveyed: for counties with 41 to 70 homes, 75 percent of homes were sampled; for counties with 71 to 100 homes, 60 percent of homes were sampled; for counties with 101 to 150 homes, 50 percent were sampled; for counties with 151 to 200 homes, 40 percent were sampled; for counties with 201 to 400 homes, 25 percent were sampled; and for counties with more than 400 providers, 18 percent were surveyed.

The numbers of homes in each county—organized into the seven sample strata—are shown in Table 4. Also shown in the table are the sample sizes drawn from each county, the number of completed interviews, and their corresponding percent of the population. In our analyses, we weighed all the data from family homes to account for participation rates and for the different sampling rates in each county.

Table 4. 2000 Family Home Survey—Total Homes, Homes Sampled, and Number of Homes Surveyed by County

	<u>Licensed Homes</u>	<u>Homes Sampled</u>	<u>Homes Interviewed</u>	<u>Percent of Homes Interviewed</u>
<i>40 or Fewer Homes (sampled at 100%):</i>				
ADAMS	20	20	15	75.0%
ASOTIN	14	14	11	78.6%
COLUMBIA	4	4	4	100.0%
FERRY	3	3	3	100.0%
GARFIELD	1	1	1	100.0%
JEFFERSON	24	24	17	70.8%
KLICKITAT	16	16	10	62.5%
LINCOLN	9	9	7	77.8%
PACIFIC	12	12	11	91.7%
PEND OREILLE	6	6	6	100.0%
SAN JUAN	7	7	4	57.1%
SKAMANIA	6	6	5	83.3%
STEVENS	22	22	19	86.4%
WHITMAN	38	38	29	76.3%
WAHKIAKUM	0	0	0	
Totals	182	182	142	78.0%
<i>41 to 70 Family Homes (sampled at 75%):</i>				
CLALLAM	58	44	25	43.1%
ISLAND	67	50	29	43.3%
KITTITAS	51	38	32	62.7%
LEWIS	57	43	36	63.2%
MASON	54	41	29	53.7%
OKANOGAN	58	44	32	55.2%
WALLA WALLA	60	45	32	53.3%
Totals	405	305	215	53.1%
<i>71 to 100 Family Homes (sampled at 60%):</i>				
COWLITZ	75	45	32	42.7%
GRAYS HARBOR	77	46	34	44.2%
Totals	152	91	66	43.4%
<i>101 to 150 Family Homes (sampled at 50%):</i>				
DOUGLAS	103	52	32	31.1%
WHATCOM	109	55	45	41.3%
Totals	212	107	77	36.3%
<i>151 to 200 Family Homes (sampled at 40%):</i>				
FRANKLIN	192	77	56	29.2%
GRANT	199	80	44	22.1%
SKAGIT	152	61	48	31.6%
Totals	543	218	148	27.3%
<i>201 to 400 Family Homes (sampled at 25%):</i>				
BENTON	298	75	59	19.8%
CHELAN	216	54	41	19.0%
KITSAP	262	66	42	16.0%
THURSTON	291	73	54	18.6%
Totals	1067	268	196	18.4%
<i>401 or more Family Homes (sampled at 18%):</i>				
CLARK	530	95	59	11.1%
KING	1645	296	166	10.1%
PIERCE	692	125	81	11.7%
SNOHOMISH	792	143	111	14.0%
SPOKANE	485	87	59	12.2%
YAKIMA	503	91	65	12.9%
Totals	4647	837	541	11.6%
GRAND TOTALS	7208	2008	1385	19.2%

Source: DSHS Research and Data Analysis
2000 Survey of Family Homes

CHAPTER 2. THE CHILD CARE MARKET

Child Care Population

Based on the surveys conducted from February through April of 2000, we estimate that 164,300 children in Washington State were in licensed care during that time. About 70 percent of these children were in child care centers and the remaining 30 percent were in licensed family homes.

In-home care (care in the child's home, not subject to licensing) and unlicensed out-of-home care were not part of this study. These populations have not been estimated since a survey done in 1990. Assuming that the proportion of children in these situations has remained the same since the 1990 study, the number of children in unlicensed out-of-home and in-home care were 54,000 and 35,900 respectively. Therefore, an estimated 254,200 children were in paid, licensed, and unlicensed child care in Washington State during the study period (Table 5).

In the following chapter, more detailed information about child care populations in Washington State is provided in Table 9 for centers and in Table 10 for family homes.

Table 5. Estimates of Children in Licensed and Unlicensed Child Care, 2000

Licensed Care	Children Enrolled	Total Capacity ¹	Number of Vacancies	Vacancy Rate ²
<u>Centers</u>				
Full-time	62,800			
Part-time	53,200			
Total in Centers	116,000	114,200	14,400	12.6%
<u>Family Homes</u>				
Full-time	27,800			
Part-time	20,500			
Total in Family Homes	48,300	55,400	8,600	15.5%
Total in Licensed Care	164,300	169,600	23,000	13.6%
Unlicensed Care³				
Out-of-Home	54,000			
In-Home	35,900			
Total Unlicensed Care	89,900			
Total in Licensed and Unlicensed Care	254,200			

(1) For centers, licensed capacity. For family homes, licensed capacity less providers' children.

(2) Vacancy rate = vacancies/capacity.

(3) Estimated from proportions in the 1990 survey. [*Child Care Rates in Washington: 1990*]

Employment and Income

Based solely on child care rates and populations reported in the 2000 surveys, we estimate that licensed child care providers in Washington State grossed almost \$750 million in 2000. As shown in Table 6, the licensed child care industry employed about 29,000 persons at the time of the interviews.

Table 6. Child Care Industry, 1992, 1994, 1996, 1998, and 2000

	Total Number of Employees					Revenue in Million Dollars				
	<u>1992</u>	<u>1994</u>	<u>1996</u>	<u>1998</u>	<u>2000</u>	<u>1992</u>	<u>1994</u>	<u>1996</u>	<u>1998</u>	<u>2000</u>
Centers	15,200	16,220	16,667	20,400	20,700	\$292	\$363	\$375	\$507	\$556
Family Homes	9,400	9,928	10,166	9,000	8,400	\$141	\$178	\$187	\$183	\$187
Licensed Facilities	24,600	26,148	26,833	29,400	29,100	\$433	\$541	\$561	\$690	\$743
Out-of-Home Care ⁽¹⁾	7,500	8,521	8,797	9,400	9,400	\$113	\$152	\$167	\$193	\$208
In-Home Care ⁽²⁾	13,600	15,948	15,538	16,900	16,300	\$77	\$104	\$110	\$128	\$138
Unlicensed Care ⁽³⁾	21,100	24,469	24,335	26,300	25,700	\$ 190	\$ 256	\$ 277	\$ 321	\$ 346
Industry Total	45,700	50,617	51,168	55,700	54,800	\$ 623	\$ 797	\$ 839	\$1,011	\$1,089

⁽¹⁾ Includes unlicensed out-of-home care provided by non-relatives that should, by law, be licensed. Number employed based on family-home adult-child ratio.

⁽²⁾ Number of in-home care employees based on 1990 survey: (2.2 children/caregiver.)

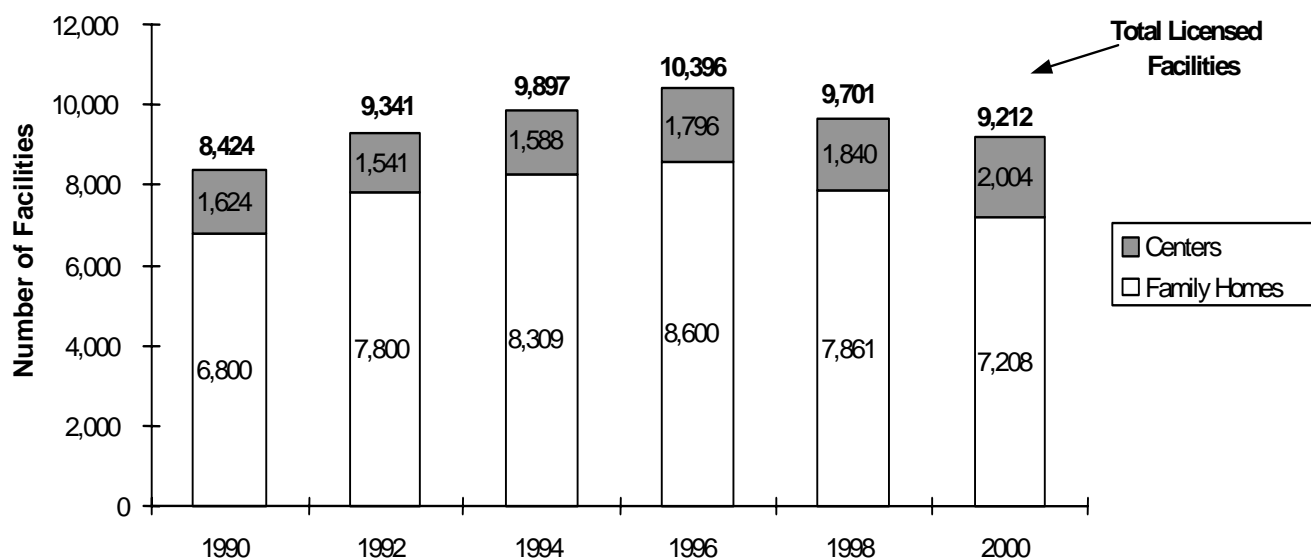
⁽³⁾ Assumes same cost per child as in licensed family home care (\$3867/child/year in 2000).

Source: DSHS Research and Data Analysis
1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers and Family Homes

Growth of the Licensed Child Care Industry

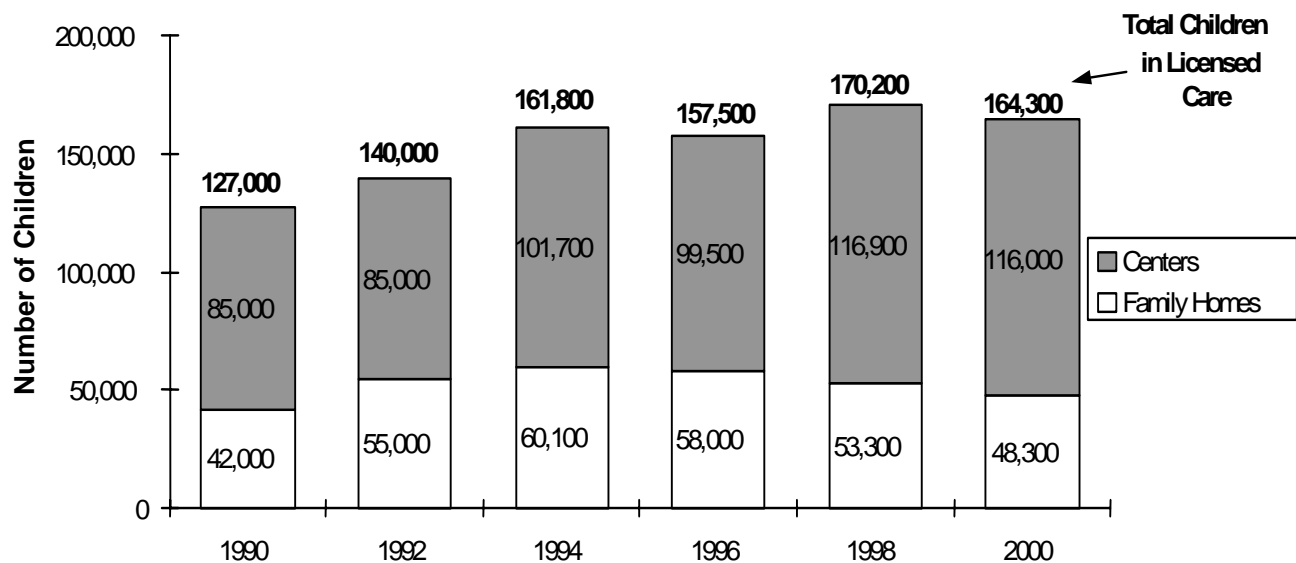
The following two graphs show changes in the size of the licensed child care industry from 1990 to 2000. After a six-year period of growth, there has been a decline in the number of licensed family homes since 1996. The number of centers, on the other hand, reached a new high in 2000 (Figure 2). From 1990 to 1994, the number of children enrolled in licensed child care increased for both centers and homes (Figure 3). Between 1994 and 1996 the number of children in centers and in homes remained about the same. But in the last four years there has been an increase in the number of children attending child care centers and a decline in the number of children in licensed family homes.

Figure 2. Licensed Child Care Facilities in Washington State, 1990 to 2000



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998, and 2000 Surveys of Child Care Centers and Family Homes

Figure 3. Children in Licensed Care in Washington State, 1990 to 2000



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers and Family Homes

Decline in Number of Family Homes

The number of licensed family homes declined from 8,600 to 7,208 during the period 1996 to 2000. Using data from the January 2001 licensing file it is possible to look at the five-year period from 1996 to 2001. In the past five years, the number of licensed family homes has declined by 17 percent, a loss of 1,441 licensed homes. The decline has not been uniform throughout the state. As shown in Table 7, the number of family homes has declined dramatically in Region 4 (King County)—a loss of 770 licensed family homes in five years. Most regions have seen a drop in the number of licensed homes. The only exception is Region 2, where the number of licensed homes has increased by 13 percent in the past five years. More information on the decline of family homes is presented in Chapter 4.

Table 7. Number of Family Homes, 1996 to 2001

Region	1996	1998	2000	2001*	Change Between 1996 and 2001	Percent Change from 1996 to 2001
1	1,336	1,221	1,174	1,161	-175	-13%
2	1,055	1,069	1,108	1,190	135	13%
3	1,465	1,273	1,127	1,191	-274	-19%
4	2,147	1,855	1,645	1,377	-770	-36%
5	1,150	1,084	954	899	-251	-22%
6	1,447	1,359	1,200	1,341	-106	-7%
Statewide	8,600	7,861	7,208	7,159	-1,441	-17%

* 2001 Information from the January 2001 Licensing File, Office of Child Care Policy.

Source: DSHS Research and Data Analysis
1996, 1998 and 2000 Surveys of Family Homes and 2001 Licensing File

CHAPTER 3. CHILDREN IN LICENSED CARE

Introduction

Licensing regulations for child care centers and family homes are determined by state law and administrative rules. In evaluating each licensed facility, the Department of Social and Health Services (DSHS) examines: (1) its premises, equipment, and physical conditions; (2) the number and skills of the licensee and staff; and (3) the ages and characteristics of the children served. The regulations for family home providers differ considerably from those for child care centers. For various reasons, many centers and homes do not operate at their licensed maximum capacity.

DSHS child care regulations differ according to the ages of the children served. For example, in child care centers one adult may care for up to either four infants or fifteen school-age children. Since younger children require more adult supervision than older children, most providers charge more for the care of younger children. In family homes, the number of children under two years old is strictly limited and the number of children under two years old that a provider serves affects the total number of children that he or she can serve.

For this report we categorized children into discrete age groups in accordance with the definitions DSHS uses for licensing regulations in child care centers and subsidy payments. These categories are consistent with the age classifications used by many child care providers:

- Infants, under 12 months old;
- Toddlers, from 12 to 29 months old;
- Preschoolers, from 30 months up to entry into kindergarten; and
- School-age children, from entry into kindergarten to 12 years old (in the survey of child care centers the sub-group of the school-age population attending kindergarten was analyzed separately).

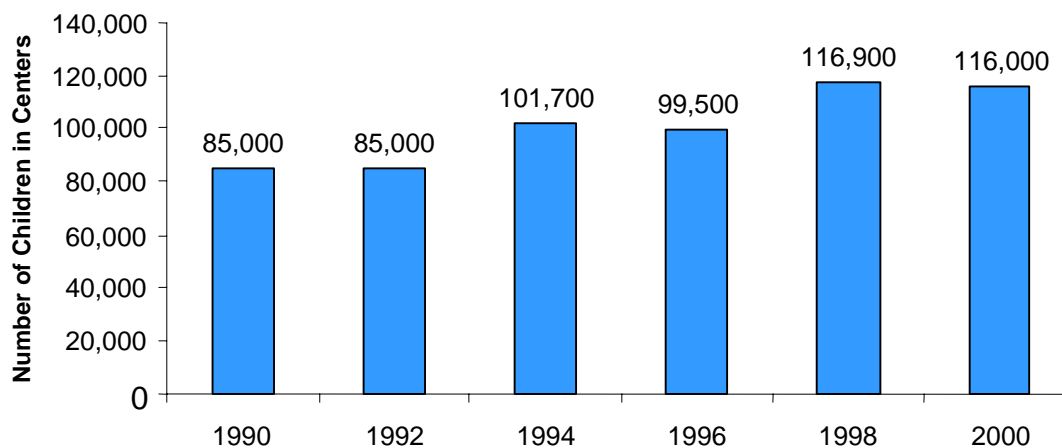
In addition to the age of the child, most providers charge more on a monthly basis for children in full-time care than for children in part-time care. But part-time care often costs more per hour than full-time care. Full-time care, as defined in this report, refers to care provided 30 or more hours per week (about 130 hours a month). Care is considered to be part-time if the child receives less than 30 hours of care per week.

Child Care Centers

Number of Children in Care, Capacity, and Vacancies in Child Care Centers

The number of children in child care centers has grown substantially in the past ten years, rising 36 percent from 85,000 in 1990 to 116,000 in 2000. During the same period the total number of children under 13 in Washington State rose about 15 percent.

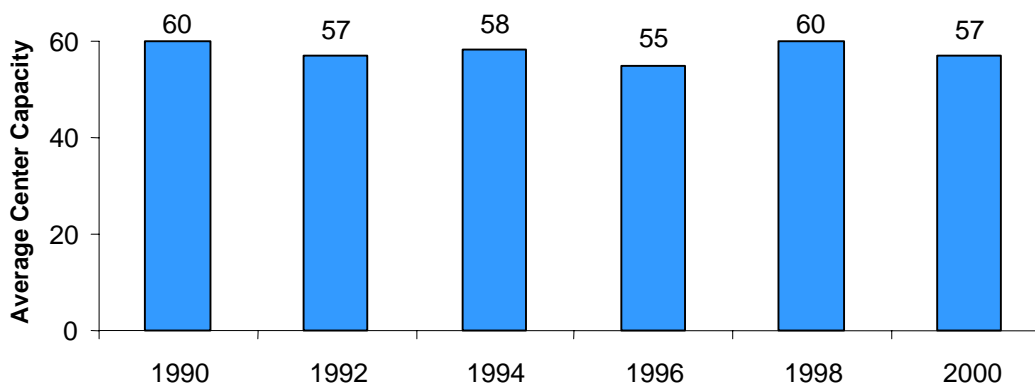
Figure 4. Number of Children in Licensed Child Care Centers, 1990-2000



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers

The above graph shows a large increase in the number of children in centers between 1996 and 1998. During those two years the number of licensed centers only grew from 1,796 to 1,840. In the 1998 report we expressed concern that our estimate of number of children may have been biased because small centers had a lower response rate to the 1998 survey than large centers (see the discussion on page 5 of *Licensed Child Care in Washington State: 1998*). Modifications were made to the 2000 survey process to eliminate differences in the response rates between large and small centers. The data collected in the 2000 survey indicate that the 1998 survey over-estimated both the number of children in child care centers and the average capacity of centers.

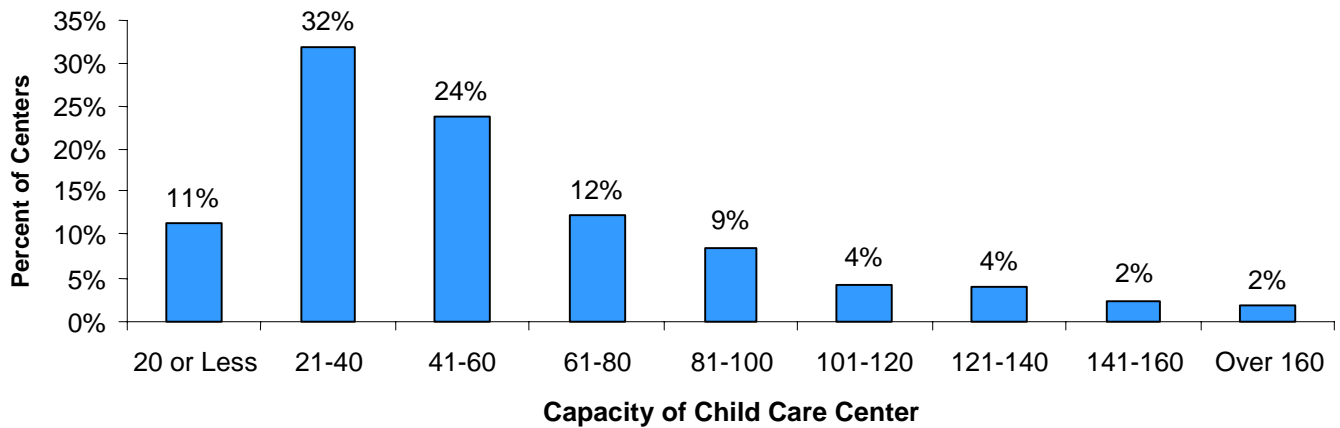
Figure 5. Average Capacity of Licensed Child Care Centers, 1990-2000



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers

The licensed capacity of child care centers varies widely: over 40 percent of centers have a capacity of forty or fewer children while 8 percent of centers have a capacity of over 120 (see Figure 6).

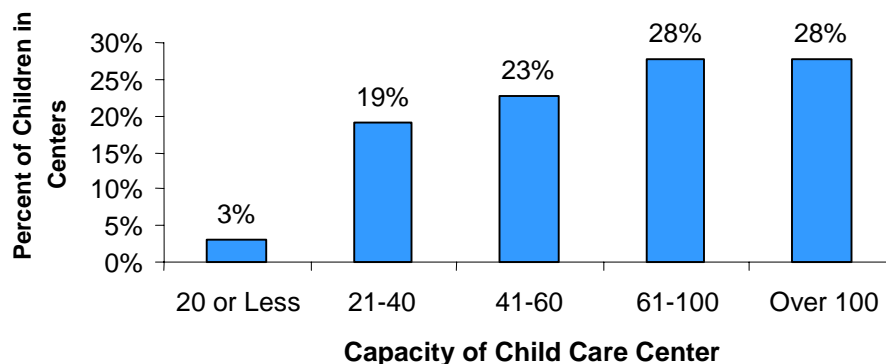
Figure 6. Distribution of Child Care Centers by Capacity, 2000



Source: DSHS Research and Data, 2000 Survey of Child Care Centers

While many centers are small, the big centers serve a high proportion of the children in centers. While 40 percent of all child care centers have a capacity of forty or less, only 22 percent of the children attending centers go to centers of such size. Over half of all children in centers (56 percent) go to centers with capacities of more than 60 (see Figure 7).

Figure 7. Distribution of Children in Centers by Capacity, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

To estimate vacancies, providers were asked how many openings they had for children of any age. While not all facilities had vacancies, 64 percent of centers reported at least one vacancy. Centers with vacancies averaged 11.5 vacancies per center. The proportion of centers with vacancies did not differ by DSHS Region for either overall vacancies or vacancies for specific age categories.

The vacancy rate is the number of vacancies as a percent of total capacity. Compared to a simple measure of the proportion of centers with vacancies, the vacancy rate gives a more accurate picture of the tightness of the market. The overall vacancy rate in 2000 was 12.6 percent for child care centers. The vacancy rate in Region 4 (King County) was significantly lower than that in Regions 2, 3, and 6. Among centers with vacancies, the average vacancy rate was 24 percent in 2000.

Table 8. Vacancy Rate in Child Care Centers by Region, 1996 - 2000

Region	Center Vacancy Rate		
	1996	1998 ⁽¹⁾	2000 ⁽²⁾
1	17%	12.3%	12.8%
2	18%	16.0%	15.9%
3	19%	11.2%	14.0%
4	14%	10.8%	10.5%
5	14%	10.5%	12.8%
6	16%	14.2%	13.7%
All	16%	12.0%	12.6%

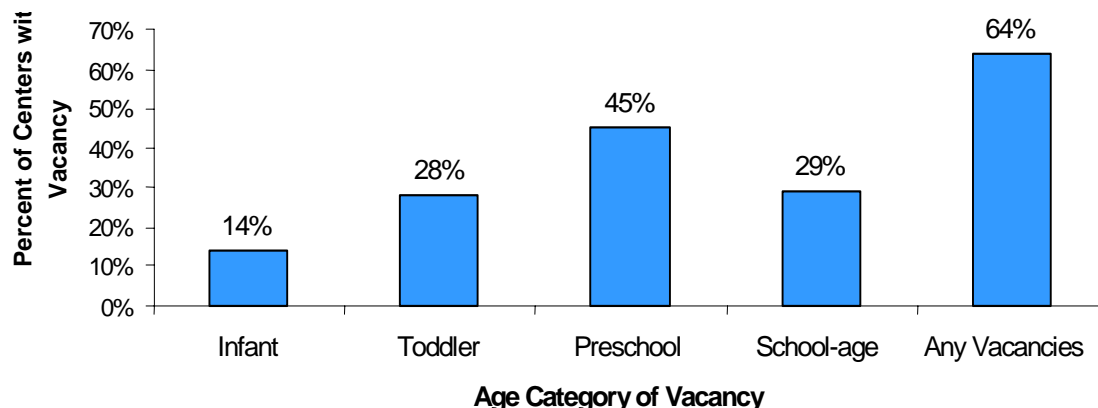
(1) In 1998 Regions 2 and 6 had significantly higher vacancy rates than Regions 4 and 5 (at .05 level).

(2) In 2000, Region 2, 3, and 6 had significantly higher vacancy rates than Region 4 (at .05 level).

Source: DSHS Research and Data Analysis, 1996, 1998, and 2000 Surveys of Child Care Centers

A vacant slot in a home or center may not be open to children of all ages. The state limits the number of children that can be placed in a facility by age. In centers, for example, one adult may care for four infants, seven toddlers, ten preschoolers, or fifteen school-age children. Therefore, while some providers may not have sufficient staff to accept more infants, they may have vacancies for older children. The percent of centers with vacancies in various age categories is presented in Figure 8. Excluding school age children, the younger the child, the less likely a center is to have an opening for that child.

Figure 8. Percentage of Centers with Vacancies by Age Category, 2000



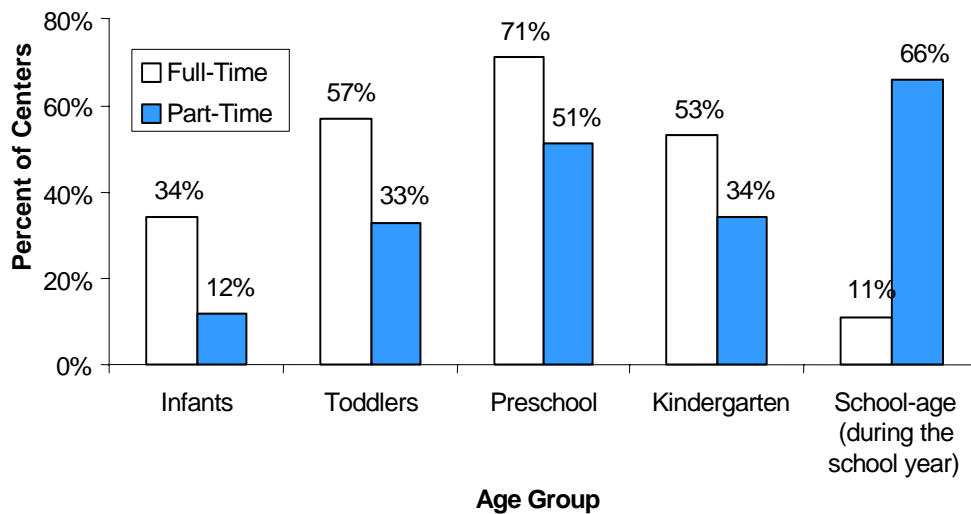
Note: Infant, under 12 months old;
Toddler, from 12 to 29 months old;
Preschool, from 30 months up to entry into kindergarten; and
School-age, from entry into kindergarten to 12 years old.

Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Full-Time and Part-Time Care in Centers by Age Category

Some centers only provide care for children of certain ages. The vast majority of centers provide care for preschool age children, either full-time or part-time (75 percent). On the other hand, only about one-third of centers provide care for infants (35 percent). Many centers do not offer both full-time and part-time options. The proportion of centers offering full-time or part-time care for various age groups of children are shown in Figure 9. The most commonly provided care was full-time care for preschoolers: 71 percent of centers offered full-time preschool care. The least common care provided by centers was that for infants: 34 percent of centers cared for infants full-time, and 12 percent offered part-time infant care.

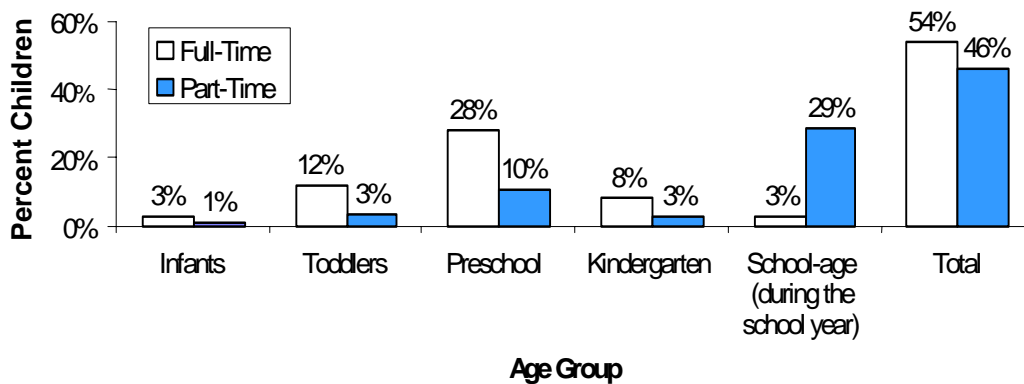
Figure 9. Centers Providing Full-Time and Part-Time Care by Age Group, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

The estimated distribution of children in centers by age group and time-in-care is summarized in Figure 10. Preschoolers in full-time care constitute the largest group of children attending centers (28 percent). Infants in part-time care are the smallest group, comprising just one percent of the children in child care centers.

Figure 10. Distribution of Children in Centers in Full-Time or Part-Time Care, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

A total of 81 percent of centers offer some care for school-age children (kindergarten or above) during the school year and about 62 percent offer care for these children in the summer. About twenty percent of centers only provide care to school-age children. Of these centers: 5 percent only serve part-time children; 30 percent only serve full-time children; and 65 percent serve full-time and part-time children. Most of the centers that only serve part-time children are small, with a capacity of less than forty children.

Many centers provide care for school-age children during the summer (data not shown). Among centers providing summer care for school-age children, most plan to provide full-time care (95 percent) and over half plan to provide part-time care (60 percent).

Table 9 presents estimates of the numbers of children in child care centers by DSHS Region and age group. Separate estimates were made for full-time and part-time children.

Table 9. Estimated Child Care Center Populations by Age and Region, 2000

Full-Time Population Estimate ^[1]

Age Group	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	All
Infant	710	360	600	1,310	550	520	4,050
Toddlers	2,000	1,160	2,110	4,590	1,940	1,860	13,660
Preschool	4,170	2,220	4,650	11,570	4,880	4,720	32,200
Kindergarten	1,330	680	1,520	2,810	1,560	1,520	9,410
School-age ^[2]	260	500	470	1,050	720	460	3,470
Total	8,470	4,920	9,350	21,330	9,650	9,070	62,790

Part-Time Population Estimate ^[1]

Age Group	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	All
Infant	190	100	90	260	120	100	860
Toddlers	590	190	610	1,240	500	520	3,660
Preschool	1,610	800	1,740	4,510	1,480	1,900	12,040
Kindergarten	820	260	600	790	390	520	3,380
School-age ^[3]	4,900	3,080	4,070	11,090	5,350	4,740	33,230
Total	8,120	4,430	7,120	17,880	7,830	7,790	53,170

^[1] Children in sample multiplied by a county weighting factor to estimate population.

^[2] Survey was conducted during the school year. School-age children in part-time care may switch to full-time care in the summer.

^[3] Part-time school-age total includes before- and after-school care.

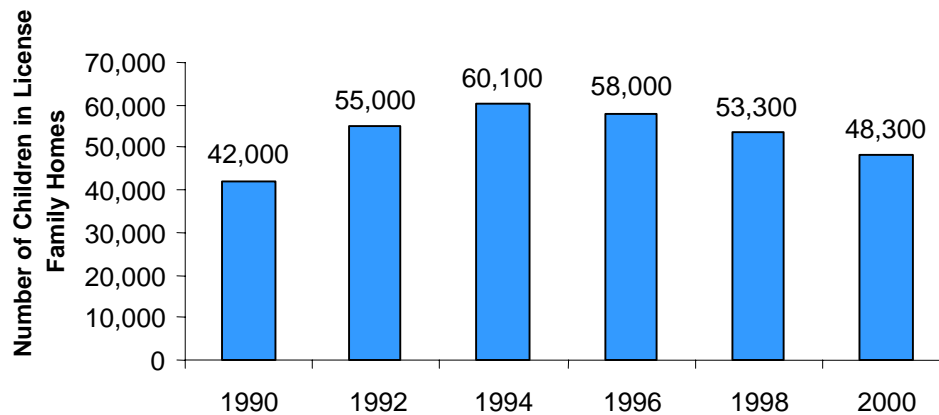
Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Family Homes

Number of Children in Care, Capacity, and Vacancies in Family Homes

Children in licensed family homes receive care in the provider's residence. The number of children cared for in licensed family homes has been declining since 1994 (see Figure 11). The number of licensed family home providers has declined since 1996 (see Figure 2).

Figure 11. Number of Children in Licensed Family Homes, 1990-2000



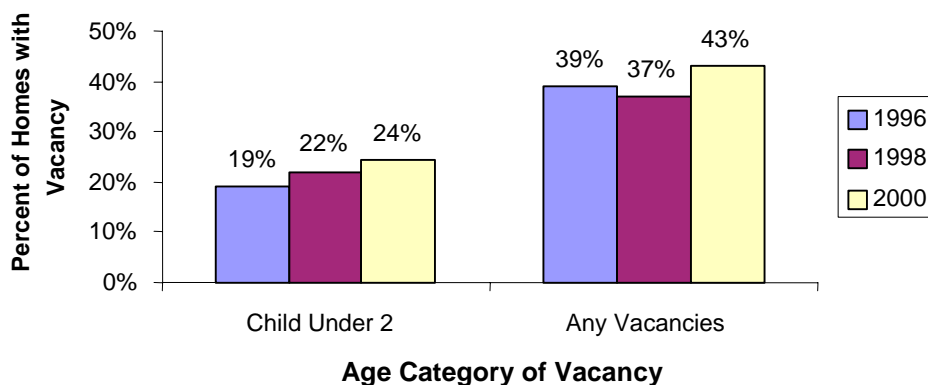
Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Family Homes

Because family homes are licensed to care for twelve or fewer children at the same time, their average licensed capacity is considerably less than that of centers. The average licensed capacity for family homes in 2000 was 7.7 children per home. The licensing regulations for family homes limit the number of children under two that can be in attendance at the same time from a maximum of two children under two with one adult providing care up to a maximum of four children under two if two adults are providing care. (All references to family home capacity in this report subtract the number of the providers' own children under twelve that they report providing care for from their licensed capacity.)

To estimate vacancies, family home providers were asked how many openings they had for children of any age. On average, providers reported one vacancy per family home with 43 percent of homes reporting at least one vacancy. The percentage of homes with vacancies did not differ by region. The vacancy rate (number of vacancies/total capacity) in 2000 was 15.5 percent for family homes. In 1998 the vacancy rate in homes was 14 percent. According to the 2000 survey, homes with vacancies had an average vacancy rate of 38 percent.

The licensing regulations for family homes strictly limit the number of children under two years old in each licensed family home. Therefore, family home providers were asked about how many vacancies they had for children under two in addition to a general question on number of vacancies. The results are displayed in Figure 12. Although the number of licensed homes has declined significantly since 1996, the percentage of licensed homes with vacancies has increased.

Figure 12. Percentage of Family Homes with Vacancies by Age Category, 1996-2000

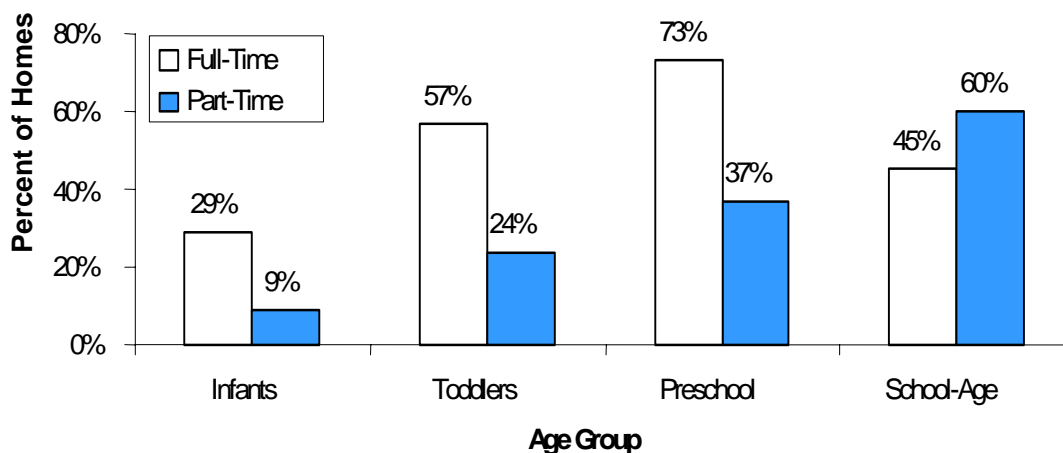


Source: DSHS Research and Data Analysis
1996, 1998 and 2000 Survey of Family Homes

Full-Time and Part-Time Care in Family Homes by Age Category

As was the case with child care centers, the most common type of care provided by family homes was full-time child care for preschoolers. Almost 75 percent of family homes provided full-time care to preschoolers. At the other extreme, under 10 percent of homes provided part-time care to infants. The proportion of family homes providing full-time care for infants increased from 24 percent in 1998 to 29 percent in 2000. Figure 13 shows the proportion of homes that provided full-time or part-time care to each age group.

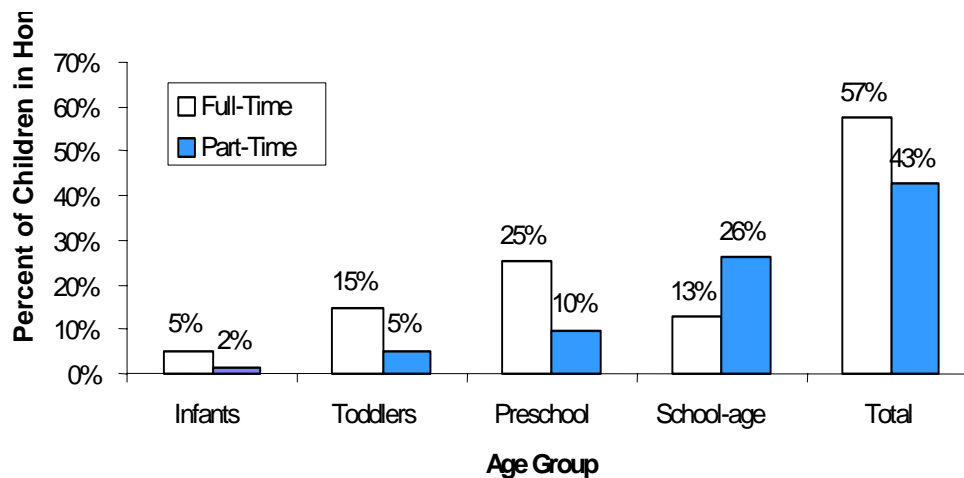
Figure 13. Homes Providing Full-Time or Part-Time Care by Age Group, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Family Homes

Figure 14 shows the distribution of children in family homes by age group and part-time or full-time status. Kindergarten-aged children are included in the school-age population for family homes. Keeping that difference in mind, the distributions of children by age group for family homes and centers are quite similar (compare Figures 10 and 14). As in centers, a small proportion of children in family homes were infants, the largest group of children was preschoolers in full-time care, and about forty percent of all children in care were school-age.

Figure 14. Distribution of Children in Homes in Full-Time or Part-Time Care, 2000

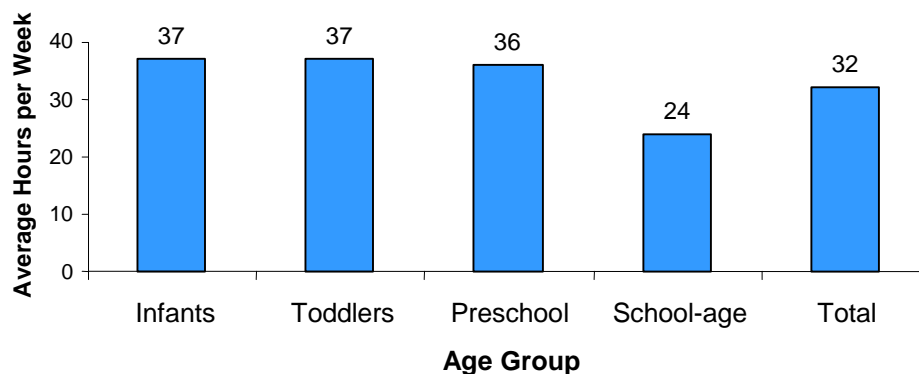


Source: DSHS Research and Data Analysis, 2000 Survey of Family Homes

Only three percent of licensed family homes only serve school-age children. Over half (53 percent) serve both full-time and part-time children, forty percent only serve full-time children, and seven percent only serve part-time children.

Average time in care for all children and by age group is shown in Figure 15. Children in family homes spent an average of 32 hours per week in child care. Infants, toddlers, and preschoolers spent the most time in care. School-age children spent the least time in care (24 hours per week on average) and are the group most likely to use only part-time care.

Figure 15. Average Hours per Week in Family Home Care by Age Group, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Family Homes

The estimated populations of children in licensed family homes, by region, age group, and time-in-care, are presented in Table 10. School-age children, because of their need for before- and after-school care, were most likely to receive part-time care. Indeed, they accounted for about sixty percent of the total part-time population in family homes.

Table 10. Estimated Licensed Family Home Child Care Populations by Age and Region, 2000

Full-Time Population Estimate ^[1]

Age Group	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	All
Infant	390	390	320	760	290	310	2,460
Toddler	1,190	1,170	1,020	1,800	860	1,050	7,090
Preschool	2,010	1,930	1,760	2,560	1,650	2,250	12,170
School-age ^[2]	1,090	1,110	670	1,290	900	980	6,040
Total	4,680	4,600	3,770	6,410	3,700	4,590	27,760

Part-Time Population Estimate ^[1]

Age Group	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	All
Infant	90	50	130	260	60	150	740
Toddler	300	250	360	810	280	480	2,480
Preschool	760	490	860	1,260	590	750	4,710
School-age ^[2]	1,690	1,570	2,350	2,600	1,840	2,560	12,610
Total	2,840	2,360	3,700	4,930	2,770	3,940	20,540

^[1] Children in sample multiplied by a county weighting factor to estimate population.

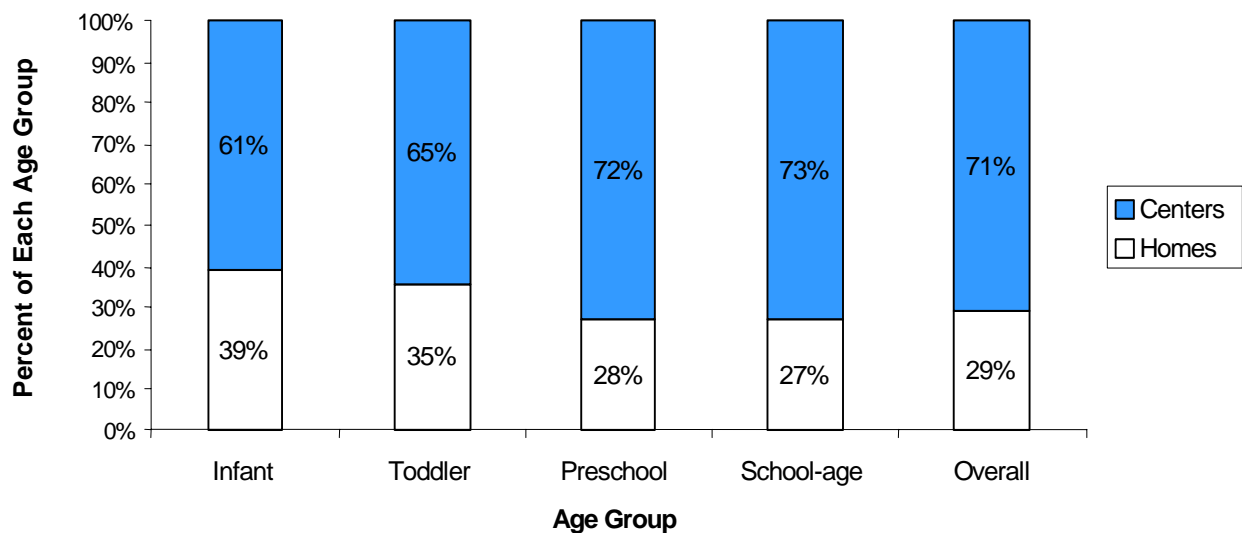
^[2] Survey was conducted during the school year. School-age children in part-time care may switch to full-time care in the summer.

Source: DSHS Research and Data Analysis, 2000 Survey of Family Homes

Specialization in the Child Care Market

The age distribution and hours in care for children in licensed homes appear remarkably similar to those attending child care centers. But closer examination reveals some interesting differences. While children of all ages in licensed care are more likely to attend child care centers than to go to family homes, there is a relationship between the age of the child and type of licensed provider used. Compared to older children, younger children (particularly infants) are more likely to go to family homes (see Figure 16). While 29 percent of all children in licensed care go to family home providers, 39 percent of infants in licensed care go to family homes.

Figure 16. Enrollment of Children in Licensed Homes versus Child Care Centers, 2000

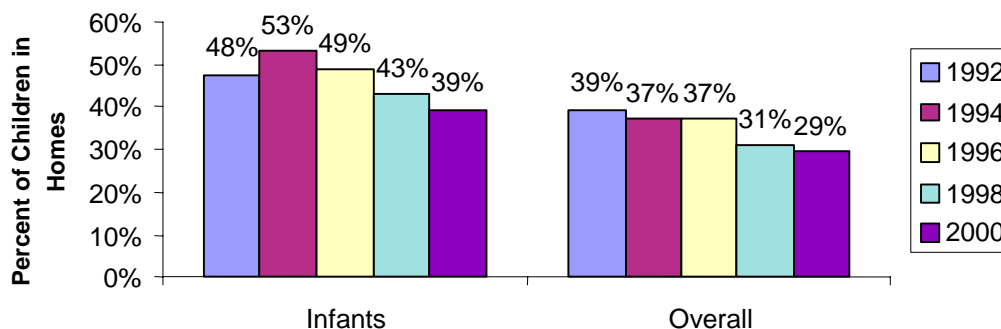


Source: DSHS Research and Data Analysis
2000 Surveys of Child Care Centers and Family Home

Shift in Attendance of Children in Licensed Care from Homes to Centers

Over the past eight years there has been an increase in the numbers of children attending child care centers (see Figure 4). On the other hand, for the past six years there has been a decrease in the number of children in licensed family homes (see Figure 11). As a consequence, the proportion of children in licensed care that are in licensed family homes has declined from 39 percent in 1992 to 29 percent in 2000 (see Figure 17 on the following page). The decline in the proportion of infants in licensed care that are in family homes is particularly striking. Eight years ago about half of all infants in licensed care were cared for in family homes; in 2000 only 39 percent of all infants in licensed care were in family homes.

Figure 17. Proportion of Children in Licensed Care that Attend Family Homes, 1992-2000



Source: DSHS Research and Data Analysis
1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers and Family Homes

Urban/Rural Differences

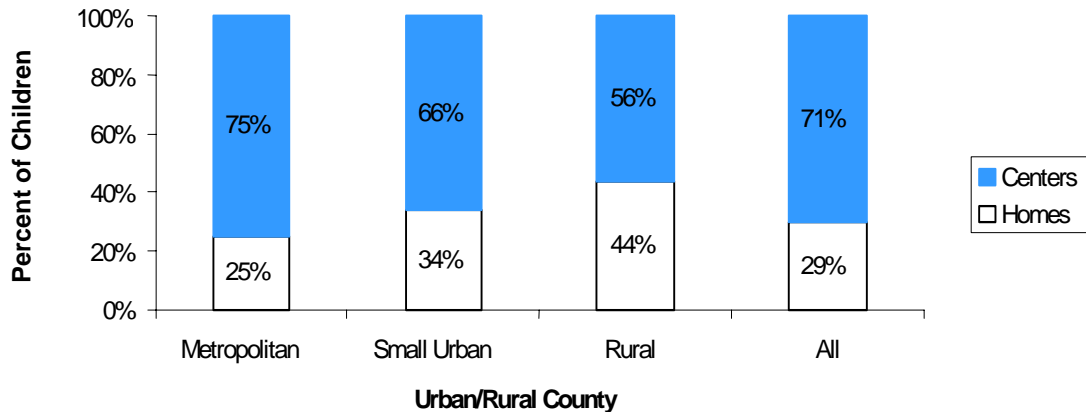
One reason for a parent to send their child to a family home provider rather than a child care center is the availability of care. It was expected that licensed care in child care centers would be less available in rural areas than in more urbanized areas. The thirty-nine counties in Washington State were categorized according to the size of their population in cities of 10,000 or more. Counties with more than 100,000 people in cities of 10,000 or more were categorized as Metropolitan, counties with more than 40,000 people in cities of 10,000 or more were called Small Urban, and the remaining counties were classed as Rural. (Population estimates from OFM's *State of Washington 1998 Population Trends*, 1998).

Table 11. Counties by Degree of Urbanization

Metropolitan	Small Urban	Rural		
Clark	Benton	Adams	Grays Harbor	Pend Oreille
King	Cowlitz	Asotin	Island	San Juan
Pierce	Kitsap	Chelan	Jefferson	Skagit
Snohomish	Thurston	Clallam	Kittitas	Skamania
Spokane	Whatcom	Columbia	Klickitat	Stevens
	Yakima	Douglas	Lewis	Wahkiakum
		Ferry	Lincoln	Walla Walla
		Franklin	Mason	Whitman
		Garfield	Okanogan	
		Grant	Pacific	

Using this rough division of counties according to their degree of urbanization, Figure 18 shows that the more rural the county, the higher the proportion of children in licensed care going to family homes rather than child care centers. Only 25 percent of children in licensed care in the five most urbanized counties in Washington State go to family homes, while 44 percent of children in licensed care in the 28 more rural counties go to family homes. County-level data on the proportion of children in licensed care that go to licensed homes is presented in Figure B6 of Appendix B.

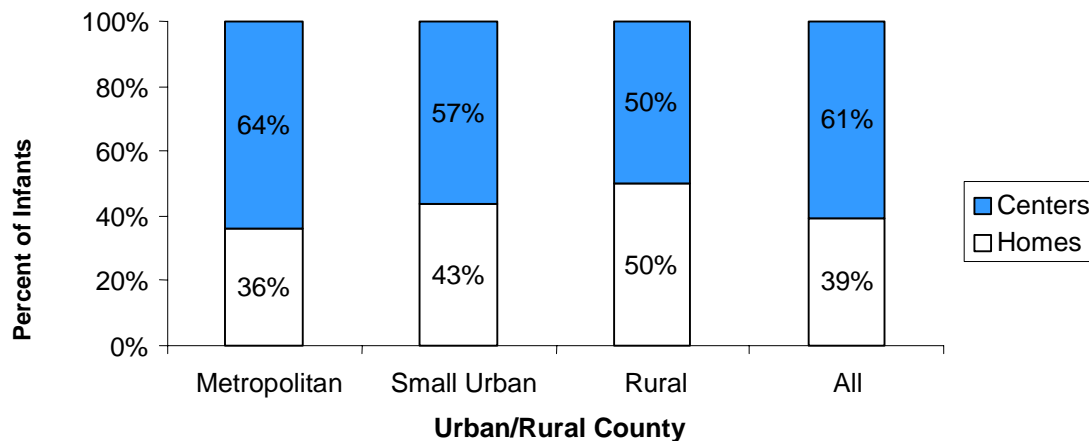
Figure 18. Distribution of Children in Licensed Care by Degree of Urbanization, 2000



Source: DSHS Research and Data Analysis
2000 Surveys of Child Care Centers and Family Homes

As shown in Figure 16, the younger the age of the child in licensed care, the more likely they are to be in family homes rather than child care centers. In addition, the more the rural the county, the more likely a child in licensed care is to attend a family home rather than a child care center. As a consequence of these two trends, half the infants in licensed care in rural counties go to family homes rather than child care centers (see Figure 19). This actually represents a decline in the past two years; 58 percent of infants in licensed care in rural counties went to family homes in 1998.

Figure 19. Distribution of Infants in Licensed Care by Degree of Urbanization, 2000

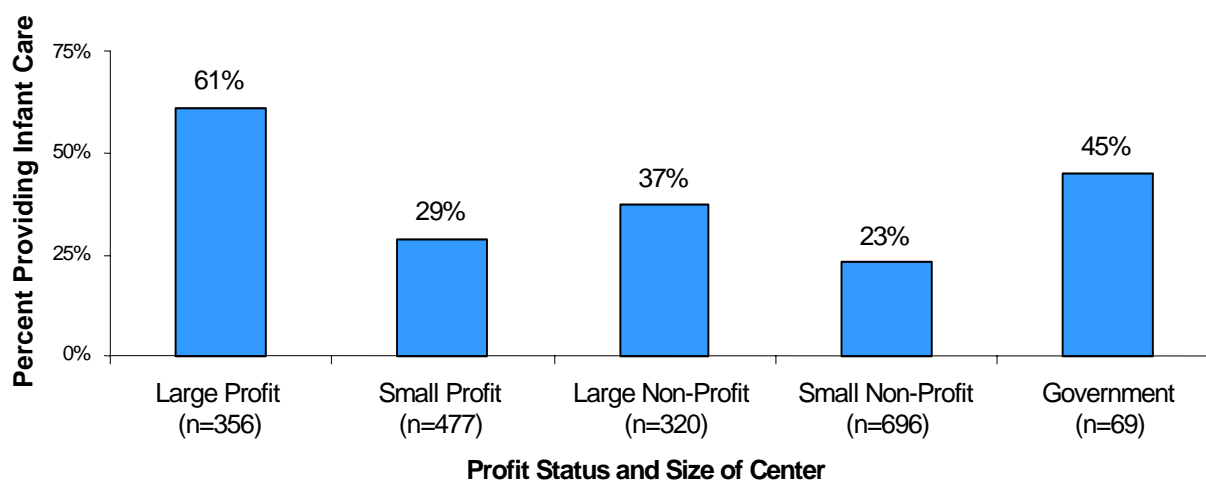


Source: DSHS Research and Data Analysis
2000 Surveys of Child Care Centers and Family Homes

Type of Center and Specialization

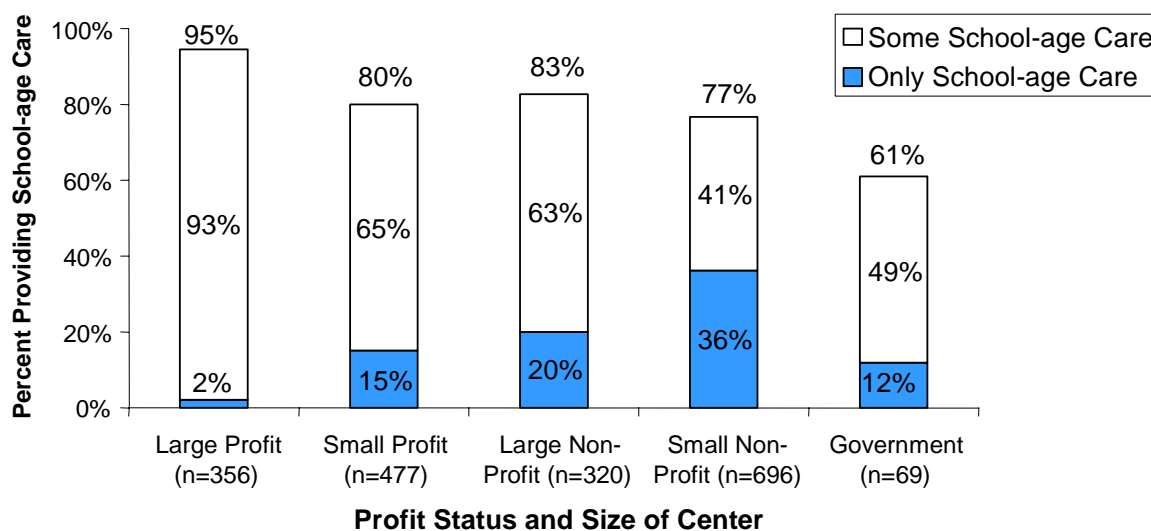
Focusing on child care centers, differences in the profit status of centers and specialization in the provision of child care were examined. Centers were classified as either non-profit, for-profit, or government centers. In addition, centers with a capacity of sixty or more were distinguished from smaller centers. While almost all centers served toddlers and preschoolers, there was evidence of specialization in the provision of care for very young and school-age children. For-profit centers with a capacity of sixty or more were the centers most likely to provide care for infants (see Figure 20). Large for-profit child care centers were also the most likely to provide care for school-age children, but a high proportion of the centers specializing in school-age care were small non-profit centers (see Figure 21).

Figure 20. Child Care Centers' Profit Status and Infant Care, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Figure 21. Child Care Centers' Profit Status and School-Age Care, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Availability and Use of Child Care

Capacity and Vacancies for Licensed Child Care

In order to understand the overall availability of licensed child care in Washington State, the information on child care centers and family home providers must be combined. In that context, the decline in the number of children in licensed family homes in the past six years has been more than offset by an increase in the number of children attending child care centers. Overall, the number of children in licensed care has risen.

While the number of children in care has grown, the vacancy rate is the best indicator of the availability of licensed care in Washington State. Between 1996 and 1998 the vacancy rate declined, suggesting a possible tightness in the child care market. While this decline appears to have stopped in the past two years, vacancy rates are still lower than they were in 1994 and 1996. Table 12 presents the vacancy rates in the licensed child care market from 1994 through 2000.

Table 12. Vacancy Rate for Licensed Child Care in Washington State, 1994-2000

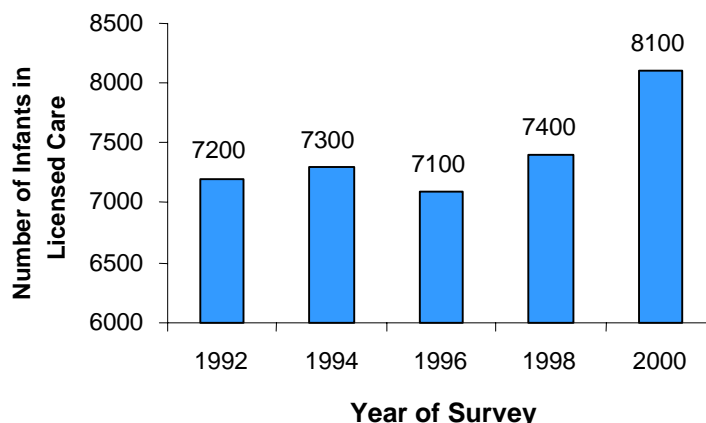
	<u>2000</u>	<u>1998</u>	<u>1996</u>	<u>1994</u>
Vacancy Rate				
Centers	12.6%	12%	16%	13%
Family Homes	15.5%	14%	14%	16%
All Licensed Facilities	13.6%	13%	15%	14%

Source: DSHS Research and Data Analysis
1994, 1996, 1998 and 2000 Surveys of Child Care Centers and Family Homes

Vacancies for Very Young Children

The number of infants served in licensed care has increased in the two years from 1998 to 2000. Almost all of that change was due to an increase in the number of infants in center care. Prior to July 1999 single parents of infants under one year old were exempt from TANF regulations requiring participation in work or work-related activities. As of July 1999 single parents of infants were only exempt from TANF work requirements for the first three months of an infant's life. An examination of the payments made for child care by DSHS indicates that the number of TANF families with infants in licensed care did not rise between 1998 and 2000. On the other hand, the number of non-TANF families receiving child care subsidies for their infants rose by almost 1,000 between 1998 and 2000.

Figure 22. Number of Infants in Licensed Care, 1992-2000



Source: DSHS Research and Data Analysis
1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers and Family Homes

While the number of infants in licensed care has grown, only about one-third of centers and family homes cared for infants in 2000. Similarly, the proportion of facilities with infant vacancies was low. While 64 percent of all centers had vacancies, only 14 percent of centers had vacancies for infants (see Figure 8 earlier in this chapter). In family homes, 43 percent had vacancies and 24 percent had vacancies for children under two (see Figure 12 earlier in this chapter).

If the availability of infant slots is inadequate, then the vacancy rate for infants should be low. In fact, the vacancy rate for very young children appears to be higher than the vacancy rates for children of other ages (see Table 13). The center vacancy rate for infants of 14.8 percent is higher than the center vacancy rate for children overall (12.6 percent, see Table 12). The home vacancy rate of 27.3 for children under two is greater than that for children overall (15.5 percent, see Table 12). In addition, the vacancy rates for young children were greater according to the 2000 child care surveys than they were 1998. Anecdotal accounts, however, indicate that licensed care for very young children may be very limited in many areas of the state.

Table 13. Vacancies for Very Young Children in Centers and Family Homes, 2000

	<u>Number Served</u>	<u>Number of Vacancies</u>	<u>Estimated Vacancy Rate*</u>
Centers			
Infants (under 1 year old)	4,910	860	14.8%
Toddlers (1 to under 2.5 years old)	17,320	2,540	12.8%
Licensed Family Homes			
Infants (under 1 year old)	3,190		
Children 1 to under 2 years old	5,050		
Children under 2 years old	8,240	3,100	27.3%

* Vacancy rate is estimated by dividing the number of vacancies by the sum of the number of children served and the number of vacancies.

Source: DSHS Research and Data Analysis
2000 Surveys of Child Care Centers and Family Homes

Age Differences of Children in Licensed Care

A child's age is a strong predictor of whether or not he or she is in licensed care. According to the child care surveys, approximately 164,300 children received licensed child care in the spring of 2000 (see Column (C) in Table 14). The Census conducted in the spring of 2000 estimated that there were 1,082,427 children under 13 years old living in Washington State at that time (see Column (A) in Table 14). By combining the Census data with the child care survey data we estimate that 15 percent of all children under age 13 were in licensed care in the spring of 2000 (164,300/1,082,427, see Column (E) in Table 14).

Table 14 combines Census and child care survey data to make estimates of the percent of children of various ages that were in licensed care. Column (E) in Table 14 presents estimates of the percent of children in each age category that are in licensed care. About one-quarter of all children of preschool age (between 2½ and 5½) are in licensed care, a higher proportion than for children of other ages. Preschoolers also are a large component of the children in licensed care, comprising 37 percent of all children in licensed care (see Column (D) in Table 14). Infants are the age group least likely to be in licensed care with only 10 percent of infants in licensed care (see Column (E)).

Table 14. All Children in Washington State Compared to Children in Licensed Care

	(A) Census 2000 Estimate of Number in Age Group ^[1]	(B) Percent of Children Under 13 in Age Group	(C) Estimated Number of Children in Licensed Care ^[2]	(D) Age Group as Percent of All Children in Licensed Care	(E) Percent of Age Group in Licensed Care
Age Group					
Infants	77,740	7%	8,100	5%	10%
Toddlers	118,327	11%	26,900	16%	23%
Preschool ^[3]	238,814	22%	61,100	37%	26%
School-age	647,546	60%	68,200	42%	11%
Total (<13)	1,082,427	100%	164,300	100%	15%

[1] Based on Census 2000 data on population by year.

[2] From 2000 Surveys of Child Care Centers and Family Homes.

[3] Preschool includes children ages 2.5-5.5.

Note: The preschool population in Table 14 includes all children 2½ through 5½ years of age. Children must be five by the start of the school year in September to enroll in kindergarten; therefore, approximately half of all five year olds at the time of the child care survey in early 2000 were not eligible to enroll in kindergarten in the fall of 1999. Table 14 includes half of all five year olds in the preschool category and half in the school-age age category. In the 1998 report five year olds were excluded from the estimate of the size of the preschool population. This change in definition affects the estimate of the proportion of the population in licensed care, particularly for the preschool group. If all five year olds were excluded from the population estimate of the preschool population (Column (A) in Table 14), then the estimate for the percent of preschoolers in licensed care would be 31 percent (Column (E) in Table 14).

A convenient statistic for comparing availability of licensed care among different regions of the state is the number of licensed slots per 100 children. According to the Census, 1,082,427 children under the age of 13 lived in Washington State in 2000. The total licensed capacity of centers and homes was 169,600. So, there were 16 licensed slots in the state for every 100 children under 13 years old (see Table 15).

Among the DSHS regions, availability ranged from 13 slots per 100 children in Region 5 to 18 slots per 100 children in Region 4 (Table 15). Since almost 60 percent of children in licensed care are under five years old, a separate estimate was made of the proportion of licensed slots available for children under five. It was assumed that the proportion of slots available to children under five at a given home or child care center could be estimated by the proportion of children served who were under five years old. Using this strategy, it was estimated that Washington State has 25 licensed child care slots for every 100 children under five years old.

Availability varied widely among counties—from under seven slots per 100 children under 13 in Ferry, Garfield, Klickitat, Pend Oreille, and Stevens counties, to 20 or more slots per 100 children in Chelan, Douglas, Franklin, Spokane, Thurston, and Whitman (see Table A3 and Map B4 in the Appendices). Differences in availability among regions or counties can be attributed to many factors. Among them are differences in profitability, in the value parents placed on licensed child care, in the availability of safe alternatives to licensed care, and in the ability of the state to recruit and license providers.

Table 15. Regional Variation in Availability of Child Care, 2000

Region	<----- Children Under 13 ----->			<----- Children Under 5 ----->		
	Children 0-12 ^[1]	Licensed Slots ^[2]	Slots per 100 Children	Children 0-4 ^[1]	Licensed Slots ^[2]	Slots per 100 Children
1	142,820	24,700	17	51,300	14,300	28
2	112,900	18,500	16	42,100	10,300	24
3	182,400	25,700	14	65,700	15,300	23
4	282,810	52,300	18	105,300	32,000	30
5	180,870	23,800	13	65,400	13,100	20
6	180,620	24,700	14	64,600	14,200	22
Total	1,082,427	169,600	16	394,300	99,300	25

^[1] Based on Census 2000 estimate of population.

^[2] From 2000 Surveys of Child Care Centers and Family Homes.

Children with Special Needs

The 2000 surveys asked whether centers and homes served children with special needs. Centers were asked if they provided “care for children with physical, mental, emotional, behavioral, developmental or medical disabilities that may require a different level of care than most children their age.” Family home providers were asked whether each child had “a physical, mental, emotional, behavioral, developmental or medical disability which may require a different level of care than most children his/her age.”

Table 16 displays the percent of centers and family homes serving special needs children. The proportion of centers serving special needs children is higher than that for homes, but centers generally serve many more children than homes. On the other hand, the percent of all children in homes that were identified as having special needs is much higher than the proportion of children in centers that were identified as having special needs.

Table 16. Variation in Percent Serving Special Needs Children by Type of Center and Region, 2000

Region	Percent Serving Special Need Children:		Percent of Children with Special Needs:	
	Centers	Homes	Centers	Homes
1	61%	26%	5%	7%
2	63%	24%	5%	6%
3	61%	31%	4%	7%
4	61%	39%	4%	10%
5	60%	33%	5%	8%
6	52%	35%	4%	8%
Statewide	60%	32%	4%	8%

Source: DSHS Research and Data Analysis
2000 Surveys of Child Care Centers and Family Homes

The older the age of the child, the more likely he or she is to be identified as having special needs (see Table 17). Providers identified 4 percent of infants, about 7 percent of toddlers and preschoolers, and almost 10 percent of school-age children in licensed family homes as having special needs. Centers were not asked the ages of the children with special needs, so this analysis could only be done for family homes.

**Table 17. Percent of Children Identified as Having Special Needs,
by Age of Child in Licensed Family Homes, 2000**

Agegroup	Percent with Special Needs
Infants	4.0%
Toddlers	6.8%
Preschoolers	7.0%
School-age	9.5%

Source: DSHS Research and Data Analysis
2000 Surveys of Child Care Centers and Family Homes

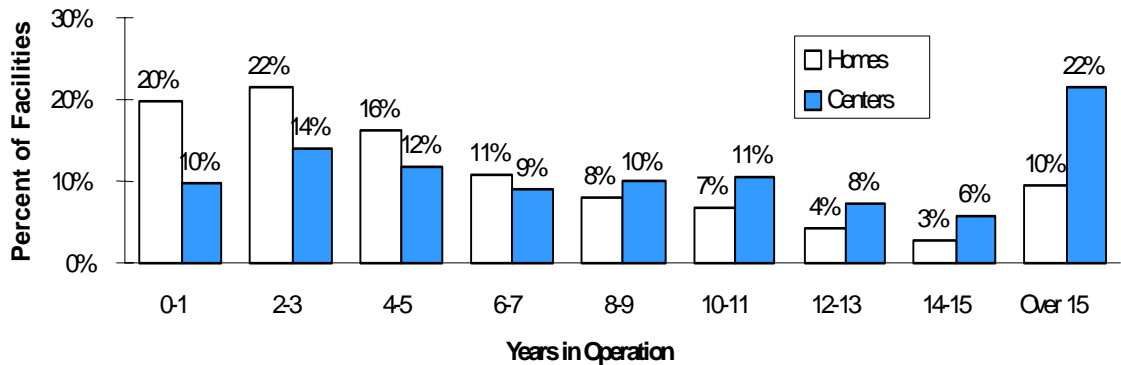
CHAPTER 4. PROVIDER BUSINESS TRAITS

Years of Operation for Child Care Centers and Family Homes

Centers generally stay in business longer than do family homes. According to the 2000 surveys, centers have been in business for an average of 10.5 years and family homes have been in operation for an average of 6.5 years. Almost half of centers and one-quarter of family homes have been in operation for ten years or more. A much higher percentage of family homes than centers have been in business for less than four years (42 percent versus 25 percent).

Family home providers reported as many as 41 years of experience. Centers reported being in business for between 0 and 94 years. The percentage of family homes and centers, by years of operation, are shown in Figure 23.

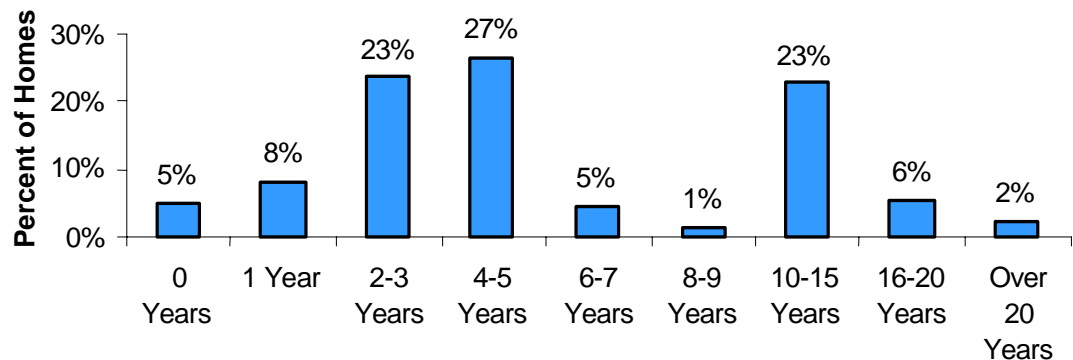
Figure 23. Years in Business: Homes and Centers, 2000



Source: DSHS Research and Data Analysis
2000 Surveys of Child Care Centers and Family Homes

More than 85 percent family home providers planned to operate their child care business for at least two more years (see Figure 24). Half of family home providers expected to be in business for at least five more years.

Figure 24. Years Plan to Operate Child Care at Home, 2000

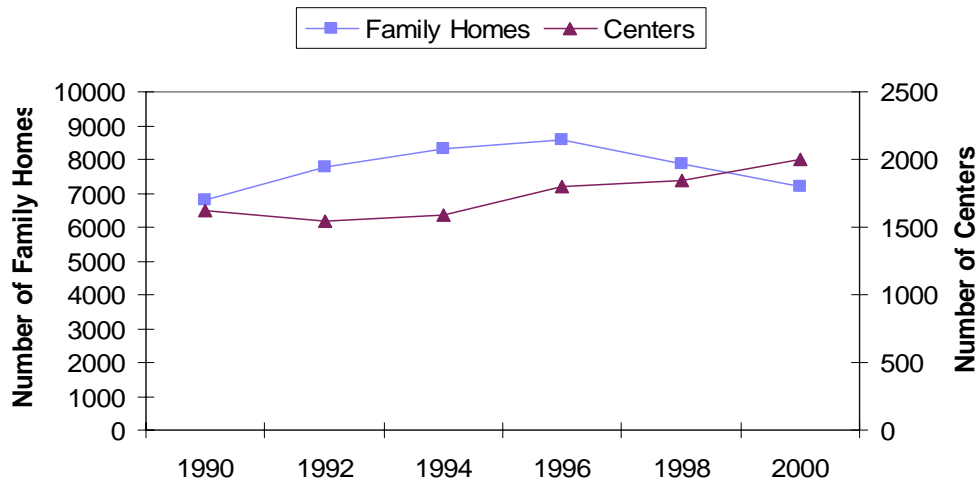


Source: DSHS Research and Data Analysis, 2000 Survey of Family Homes

Growth and Decline in Number of Centers and Family Homes

The number of centers in Washington State has grown almost 25 percent over the past ten years, rising from 1,624 in 1990 to 2,004 in 2000 (see right axis and line with triangles on Figure 25). On the other hand, the number of family homes grew from 1990 through 1996 and has declined dramatically since that time (see left axis and line with squares in Figure 25).

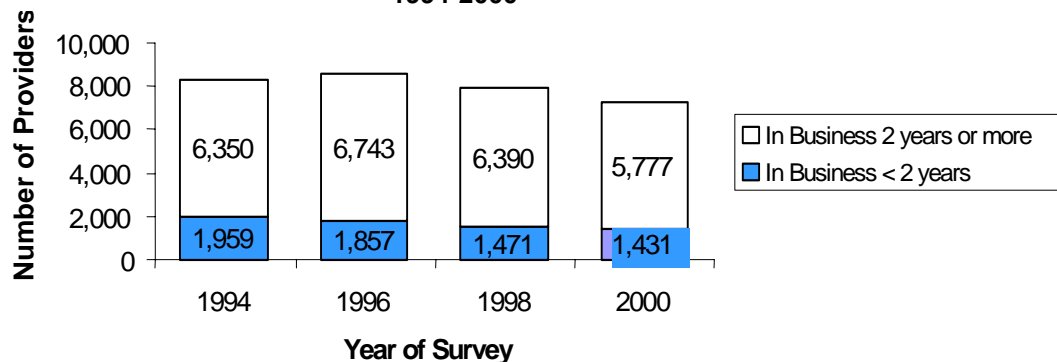
Figure 25. Number of Centers and Family Homes, 1990-2000



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Centers and Family Homes

Two trends contribute to the recent decline in the number of family homes in Washington State. Family home providers were asked how long they have been in business. Since the surveys are conducted every two years, all the providers who said that they had been in business for less than two years could not have been surveyed in the prior survey. The number of family home providers entering the family home business has been declining since 1994, with a big drop in the number of new providers between 1996 and 1998.

Figure 26. Number of Family Home Providers by Length of Time in Business, 1994-2000



Source: DSHS Research and Data Analysis
1994, 1996, 1998 and 2000 Surveys of Family Homes

In addition to fewer family providers entering the business, attrition has also increased. Several steps were necessary in order to estimate attrition between surveys (see Table 18). Between 1994 and 1996, for example, the number of homes new since the last survey (1,857) and the number continuing in business since the last survey (6,743) were calculated. Next, the number that had left the market was estimated by subtracting the number still in business in 1996 from the number in business in 1994 (8,309-6,743); approximately 1,566 family homes went out of business between those two years. Thus the proportion of homes that exited between 1994 and 1996 was 1,566/8,309 or 19 percent. Between the 1996 and 1998 surveys and between the 1998 and 2000 surveys attrition rose to over 25 percent.

Table 18. Turnover in Family Homes, 1994-2000

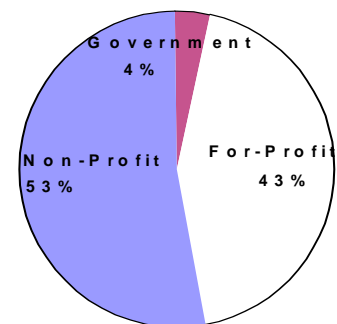
	<u>1994</u>	<u>1996</u>	<u>1998</u>	<u>2000</u>
Number in Business < 2 Years (new since last survey)	1,959	1,857	1,471	1,431
Number in Business 2 Years or More (continuing in business since last survey)	6,350	6,743	6,390	5,777
Total Number of Providers	8,309	8,600	7,861	7,208
Number Leaving Between Surveys	1,566 (=8309-6743)	2,210 (=8600-6390)	2,084 (=7861-5777)	
Turnover Between Surveys	19% (=1599/8309)	26% (=2210/8600)	27% (=2084/7861)	

Source: DSHS Research and Data Analysis
1994, 1996, 1998 and 2000 Surveys of Family Homes

Types of Centers

Providers identified their centers as either government operated, non-profit, or private for-profit (Figure 27). Fifty-three percent of all child care centers were non-profit organizations, forty-three percent were private for-profit businesses, and the remaining four percent were government centers. Most government centers are Tribal centers or are located at high schools or community colleges. The proportion of centers in each of these categories has remained fairly stable since 1992.

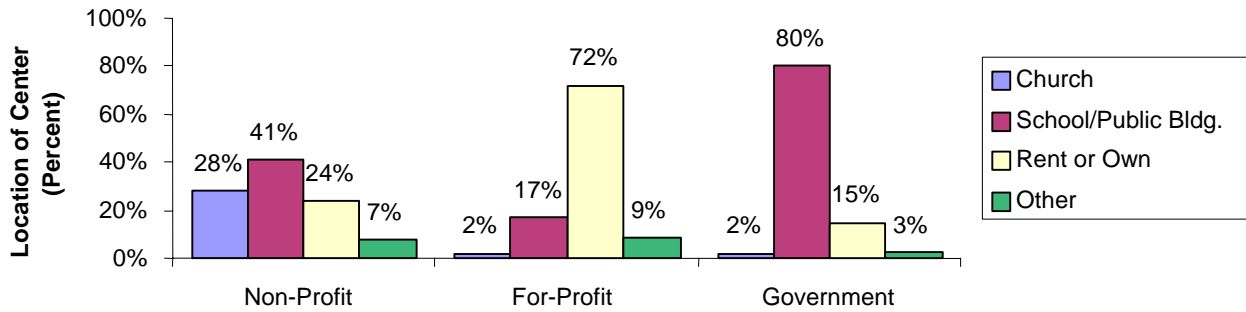
Figure 27. Types of Child Care Centers



Source: DSHS Research and Data Analysis
2000 Survey of Child Care Centers

Centers of different types tend to be located in different types of buildings. Most government centers (80 percent) are located in schools and other public buildings. On the other hand, most for-profit centers are located in private buildings that they rent or own. Most of the centers in churches are non-profits, and about 40 percent of non-profit centers are located in schools and other public buildings.

Figure 28. Type of Center and Physical Location, 2000



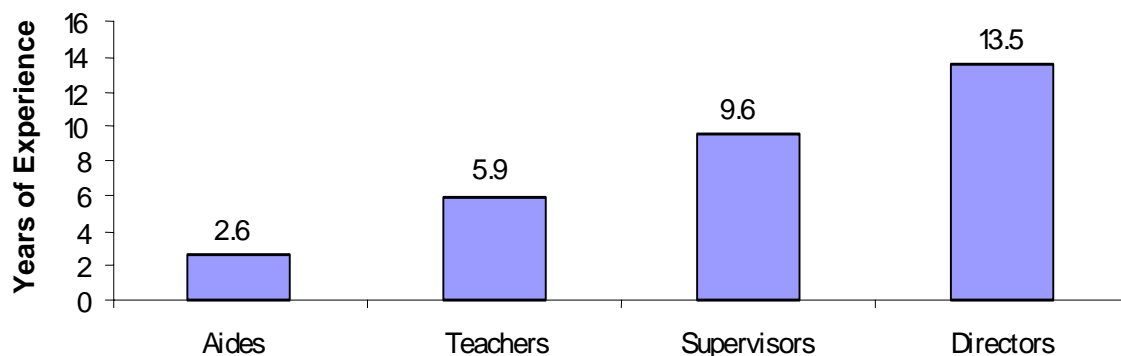
Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Staff Experience and Education

Years of Experience: Center Staff

Respondents at centers described the paid child care experience of their staff: aides, teachers, program supervisors, and directors. The experience of these workers in paid child care ranged from less than a year to fifty years. Experience varied with the type of position. Aides had the least average amount of experience, 2.6 years, while directors averaged 13.5 years. Figure 29 shows the average number of years in paid child care employment for each position.

Figure 29. Average Paid Child Care Experience of Center Staff, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Paid and Non-Paid Staff at Centers

All centers employed paid staff. Statewide, centers averaged 10 paid employees. About one-third of all paid center employees were aides, and an additional 46 percent were teachers. Many centers got additional help from volunteers.

As shown in Table 19, the proportion of staff that was teachers and the use of volunteers varied by type of center. For-profit centers had a higher proportion of teachers and a lower proportion of aides on their staff than did either non-profit or government centers. For-profit centers also were the least likely to have volunteers (24 percent), compared to 42 percent of non-profit centers and 65 percent of government centers. The number of volunteers also varied by type of center. Among centers with at least one volunteer, for-profit centers averaged 2.5 volunteers, non-profits 4.8, and government centers averaged 6.5 volunteers.

Table 19. Staff Composition by Type of Center, 2000

Type of Center	Percent of Paid Staff			Using Volunteers	Number of Volunteers*
	Aides	Teachers	Supervisors and Directors		
For-Profit	30.9%	52.1%	17.1%	24%	2.5
Non-Profit	40.2%	40.6%	19.1%	42%	4.8
Government	45.0%	41.8%	13.2%	65%	6.5
All Centers	36.0%	46.0%	18.0%	35%	4.2

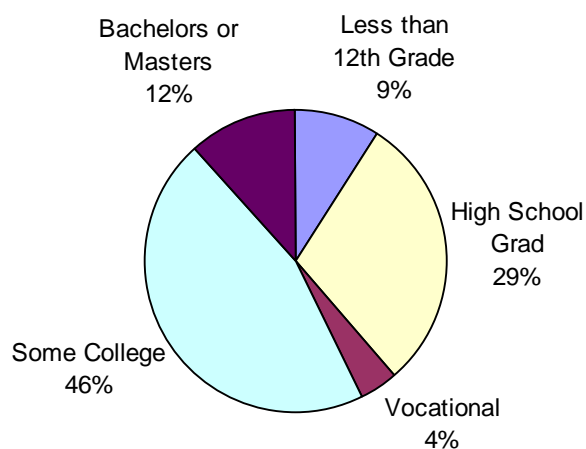
*Only calculated for centers using volunteers.

Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Family Home Providers' Education and Training

Almost all licensed family home child care providers have completed high school (91 percent). Fifty percent of family home providers have earned some college credit or have vocational training, and an additional twelve percent have a bachelors or more advanced degree (Figure 30). A total of 62 percent have education beyond the high school degree, a rise from 58 percent reported on the 1998 survey.

Figure 30. Family Home Providers' Highest Level of Education, 2000

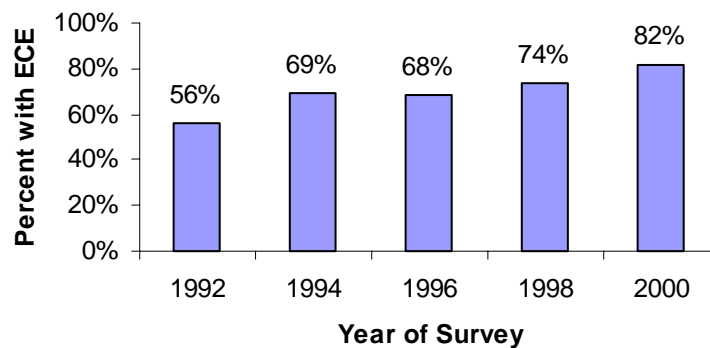


Source: DSHS Research and Data Analysis
2000 Survey of Family Homes

A substantial majority of licensed child care providers have access to formal early childhood education (ECE) training through local colleges, referral agencies, or associations for child care professionals. Over eighty percent of family home providers indicated that they had formal ECE training (see Figure 31).

Since 1992, the proportion of family home providers with formal ECE training has increased. In 1992, only 56 percent of family providers had formal ECE training. The percentage of providers with formal ECE training has steadily increased and rose to 82 percent in 2000 (see Figure 31).

Figure 31. Training in Early Childhood Education (ECE) of Family Home Providers: 1992-2000



Source: DSHS Research and Data Analysis
1992, 1994, 1996, 1998 and 2000 Surveys of Family Homes

Salaries and Benefits for Child Care Workers

Wages at Centers

The average wages or salaries of center staff—aides, teachers, supervisors, and directors—are shown in Table 20. Directors earned \$2,041 per month on average. Of the remaining staff, supervisors earned the most, followed by teachers, and then by aides. For all categories of employees, the wages paid in Region 4 (King County) were significantly higher than those paid in other regions (at the .05 level). For aides and teachers there were no other significant regional differences. For supervisors and directors, some of the other regional differences were also statistically significant: supervisors in Region 3 had significantly higher wages than in Regions 2, 5, and 6; directors in Region 6 were paid significantly less than in Regions 1, 2, 3, and 5; and directors in Region 3 were paid more than those in Region 5.

Table 20. Average Wages in Child Care Centers by Region, 2000

Region	Number of Centers	Aides	Teachers	Supervisors	Directors
1	305	\$7.01	\$8.03	\$10.15	\$1,984/mo.
2	178	\$7.00	\$8.09	\$ 9.53	\$1,998/mo.
3	291	\$7.39	\$8.54	\$10.85	\$2,080/mo.
4	628	\$7.91	\$9.45	\$11.59	\$2,298/mo.
5	303	\$7.05	\$8.01	\$10.03	\$1,898/mo.
6	299	\$6.99	\$8.04	\$10.06	\$1,676/mo.
Statewide	2,004	\$7.33	\$8.66	\$10.66	\$2,041/mo.

Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Wages paid to aides, teachers, and supervisors varied significantly by the type of center ownership—non-profit, government, or for-profit private. The wages paid directors did not vary by center ownership. Wages paid at these three types of centers are shown in Table 21.

Table 21. Average Wages in Child Care Centers by Center Type, 2000

Type	Number of Centers	Aides	Teachers	Supervisors	Directors
Government	72	\$8.87	\$11.36	\$13.70	\$2,862/mo.
Non-Profit	1,062	\$7.33	\$ 8.93	\$10.84	\$2,086/mo.
Private For-Profit	870	\$7.12	\$ 8.22	\$10.21	\$1,962/mo.
Statewide	2,004	\$7.33	\$ 8.66	\$10.66	\$2,041/mo.

Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Wages in Family Homes

Most family homes are one-person operations, but about 17 percent of homes employ at least one paid assistant. These assistants work an average of 30 hours per week. Their average hourly wage is \$6.86, less than the average wage of \$7.33 earned by aides in centers (compare Tables 20 and 22). For information on wage trends for assistants in family homes, see the section on wage trends in family homes later in this chapter (Figure 33).

Table 22. Assistants' Wages in Licensed Homes, 2000

Region	Total Homes	Homes with Paid Assistants	Average Wages
1	1,174	165	\$6.21
2	1,108	153	\$6.53
3	1,127	229	\$6.97
4*	1,645	327	\$7.46
5	954	152	\$6.84
6	1,200	200	\$6.51
Statewide	7,208	1,226	\$6.86

*Average wages paid Assistants in Region 4 are significantly higher than those paid in Regions 1, 2, and 6.

Source: DSHS Research and Data Analysis, 2000 Survey of Family Homes

Income of Family Homes

Half of the family homes surveyed reported \$20,000 or more in gross income from their child care business for 1999 (average gross income was \$23,885). Annual earnings by region are shown in Table 23. The gross revenues for family home providers in King County (Region 4) were significantly higher (in the statistical sense) than those in all other Regions except Region 3 (at .05 level). Family home providers in Region 1 also earned significantly less than those in Regions 3 and 6. (The net income of family home providers is what remains of their gross income after the cost of operation, but not enough data were collected to estimate operation costs and the net income of family home providers.)

Table 23. Average Gross Annual Earnings of Family Home Providers, 1999

Region	Average Earnings
1	\$18,286
2	\$22,025
3	\$26,575
4	\$30,265
5	\$21,551
6	\$22,151
Statewide	\$23,885

Source: DSHS Research and Data Analysis, 2000 Survey of Family Homes

The earnings of family home providers are related to other factors besides geography. For about one-third of family home providers, child care earnings are their households' primary source of income. As shown in Table 24, the income of family home providers for whom child care is their primary source of income is considerably higher than that for other family home providers. In addition, the income of family home providers is related to the number of years that they have been in business.

Table 24. Factors Associated with Average Earnings of Family Home Providers, 2000

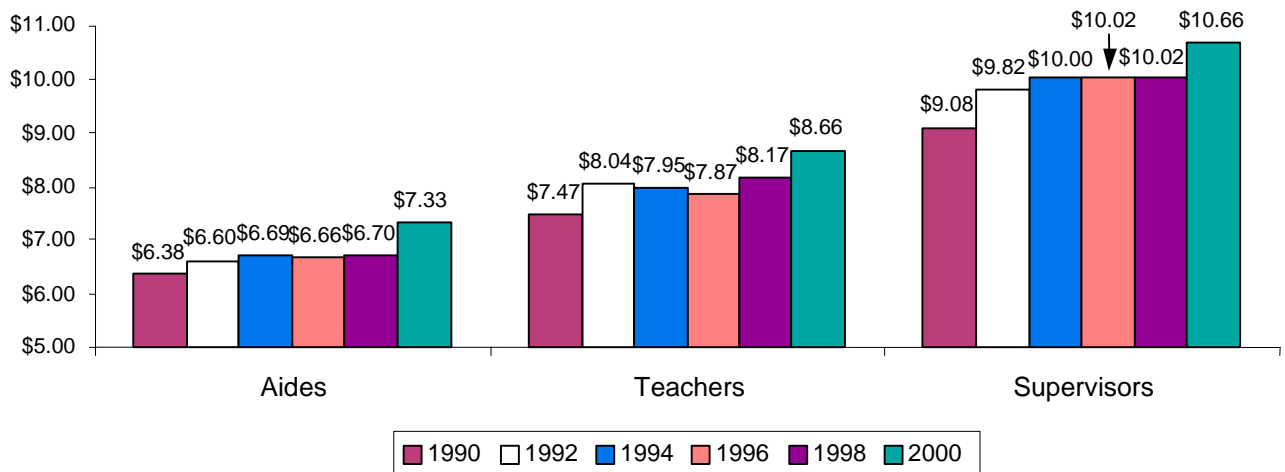
Average Earnings	
<u>Years in Business</u>	
0-3 years	\$18,513
4-6 years	\$23,642
7+ years	\$28,878
<u>Child Care Main Source of Income</u>	
Yes	\$30,886
No	\$19,507

Source: DSHS Research and Data Analysis, 2000 Survey of Family Homes

Wage Trends in Centers

Child care workers receive relatively low wages: center aides, teachers, and supervisors averaged \$7.33, \$8.66, and \$10.66 per hour in 2000. As shown in Figure 32, average real wages for child care workers—wages adjusted to account for changes in the consumer price index—stalled between 1992 and 1998. Since 1998, perhaps spurred by the increases in the minimum wage to \$5.70 on January 1, 1999 and to \$6.50 on January 1, 2000, wages for child care workers have risen.

Figure 32. Changes in Child Care Wages from 1990 to 2000
Adjusted to 2000 Dollars

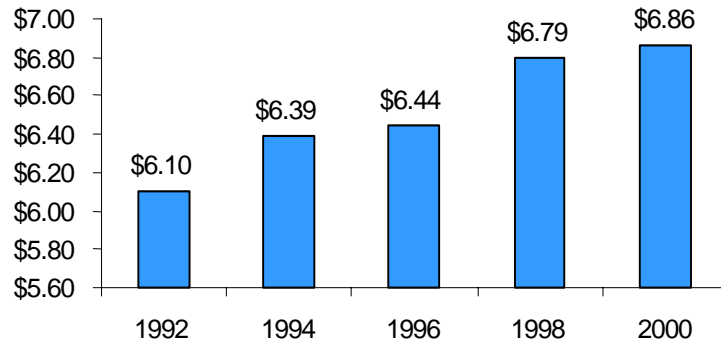


Source: DSHS Research and Data Analysis
1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers

Wage Trends in Family Homes

The wages of assistants in family homes show a somewhat different trend than that for wages of child care workers in centers. Between 1992 and 1998 the wages paid assistants in family homes (in constant dollars) rose from \$6.10 to \$6.79, a rise of two percent per year in real wages. Since 1998, wages have stagnated (see Figure 33).

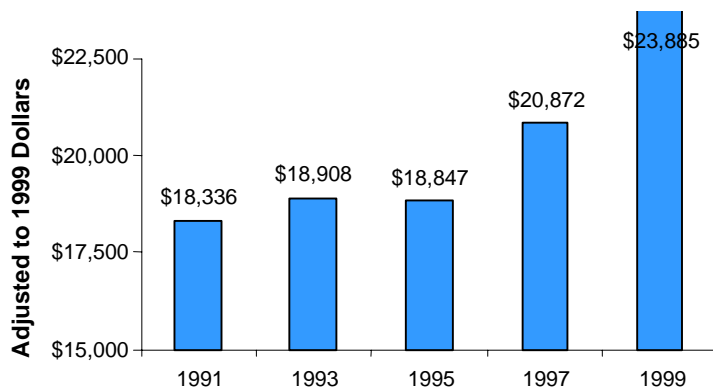
**Figure 33. Average Wage Paid Assistants in Family Homes from 1992 to 2000
Adjusted to 2000 Dollars**



Source: DSHS Research and Data Analysis
1992, 1994, 1996, 1998 and 2000 Surveys of Family Homes

The income of family home providers increased dramatically between 1996 and 2000, a rise of six percent per year (in real dollars). That amounts to an increase of 27 percent in the average real income of family home providers in the past four years. In light of the large decline in the number of family homes in business in the same period, it may be the case that less profitable family homes are leaving the child care business.

**Figure 34. Average Gross Earnings in Family Homes from 1991 to 1999
Adjusted to 1999 Dollars**



Source: DSHS Research and Data Analysis
1992, 1994, 1996, 1998 and 2000 Surveys of Family Homes

Employee Benefits at Centers

Statewide, 81 percent of centers provide some non-wage benefits to their employees. The percent of centers providing benefits—sick leave, vacation, or health insurance—are shown in Table 25. Centers in Region 4 were the most likely to offer benefits. With one exception (Region 3 versus Region 4 and the provision of vacation benefits), those differences were statistically significant. Other differences among the Regions were significant; centers in Regions 1 and 2 were generally less likely to provide benefits to their employees than centers in other Regions to a significant degree.

Table 25. Centers Providing Benefits by Benefit Type and Region, 2000

Region	Total Number of Centers	Any Benefit	Paid Sick Leave	Paid Vacation	Medical Insurance
1	305	71%	53%	60%	37%
2	178	67%	50%	59%	44%
3	291	83%	68%	78%	61%
4	628	91%	82%	83%	75%
5	303	84%	66%	75%	50%
6	299	77%	55%	65%	58%
Statewide	2,004	81%	66%	73%	58%

Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

The differences in percentage of centers providing benefits are striking when comparing government, non-profit, and private centers (Table 26). It is especially notable with regard to medical insurance and paid sick leave. Government centers are much more likely to offer those benefits when compared to private centers. Non-profit centers fall between these two extremes.

Table 26. Centers Providing Benefits by Center Type, 2000

Center Type	Total Number of Centers	Any Benefit	Paid Sick Leave*	Paid Vacation	Medical Insurance*
Government	72	93%	91%	84%	78%
Non-Profit	1,062	83%	73%	73%	63%
Private For-Profit	870	79%	57%	71%	50%
Statewide	2,004	81%	66%	73%	58%

*Differences significant at .05 level between types of centers.

Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Since 1990, when centers were first surveyed about employee wages and benefits, centers have become more likely to provide benefits. Table 27 shows how the percentages of centers offering benefits have changed over time. Between 1998 and 2000 there was little change in the provision of employee benefits by child care centers.

Table 27. Employee Benefits in Child Care Centers, 1990-2000

Year	Paid Sick Leave	Paid Vacation	Health Insurance
1990	56%	63%	45%
1992	61%	69%	51%
1994	60%	70%	56%
1996	62%	70%	53%
1998	68%	73%	55%
2000	65%	71%	57%

Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers

The level of wages and benefits offered by centers are related. Centers that provide benefits are likely to also pay higher wages. Table 28 shows that wages at centers that provide health insurance are higher than the wages paid by centers that do not provide medical coverage. This relationship remains strong even when controlling for the association between Region and both the provision of medical benefits and high wages.

Table 28. Health Insurance and Higher Wages in Centers, 2000

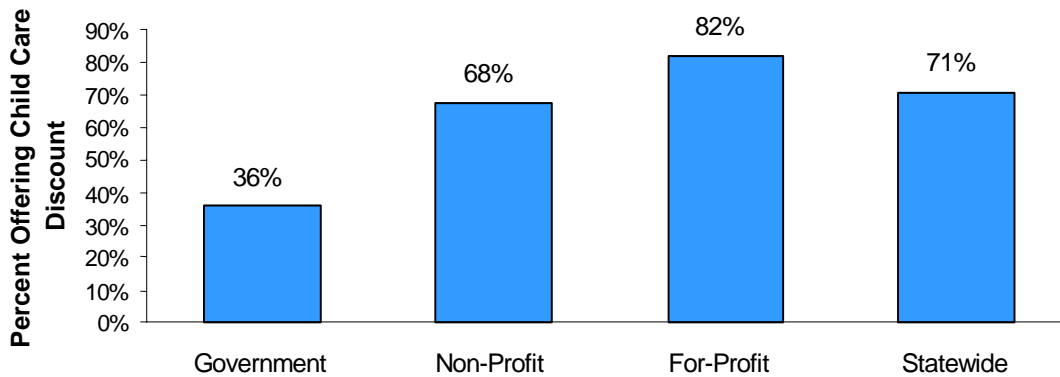
Staff Position	Wages With Health Insurance	Wages Without Health Insurance	Wages With Any Benefits	Wages Without Any Benefits
Aides	\$ 7.48	\$ 7.06	\$ 7.35	\$ 7.22
Teachers	\$ 8.99	\$ 8.06	\$ 8.75	\$ 8.02
Supervisors	\$11.15	\$ 9.86	\$ 9.59	\$10.85
Directors	\$2,113/month	\$1,716/month	\$2,175/month	\$1,866/month

Note: All differences significant at .01 level except for the contrast between aides with and without any benefits.

Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

The above questions on benefits have been asked of child care centers since 1990. The 2000 survey also asked whether centers give employees a discount on child care. Overall, slightly more than 70 percent of centers gave employees a discount. The offering of this discount was strongly related to the type of center, with government centers far less likely to offer this benefit than either non-profit or for-profit centers.

Figure 35. Center Type and Discount Given Employees for Child Care, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Staff Turnover in Child Care Centers

Turnover Estimates from Child Care Center Survey

Centers were asked on the 2000 survey about staff turnover. This was a new question. For each job category, centers were asked how many individuals had been hired since September 1, 1999 (about 6 months earlier). These numbers will under-estimate turnover, for some staff that were hired after September 1, 1999 will have already left before the time of the survey. Table 29 presents the proportion of staff that had been hired since September 1, 1999 by Region. Only centers in business for over one year were included in this analysis.

Not surprisingly, staff turnover is strongly related to position. The proportion of staff newly hired is twice as high for aides than it is for teachers. Somewhat more interesting is the similarity in turnover rates in different regions of the state. Only a few of the regional comparisons are statistically significant. Aides in all areas of the state appear to leave at about the same rate (except for a higher turnover rate in Region 2 than in Region 1).

Table 29. Percent of Staff Newly Hired, 2000

Region	Aides*	Teachers*	Supervisors*
1	35.2%	16.8%	10.1%
2	48.6%	24.0%	9.9%
3	43.8%	21.9%	8.3%
4	38.4%	18.3%	17.2%
5	40.6%	14.6%	8.8%
6	36.1%	17.8%	10.4%
Statewide	39.7%	18.4%	12.2%

* The following differences were statistically significant at the .05 level: for Aides, the percent of new hires is significantly greater in Region 2 than in Region 1; for Teachers, the percent of new hires is significantly greater in Regions 2 and 3 than in Region 5; and for Supervisors, the percent of new hires is significantly greater in Region 4 than in Regions 3 and 5.

Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

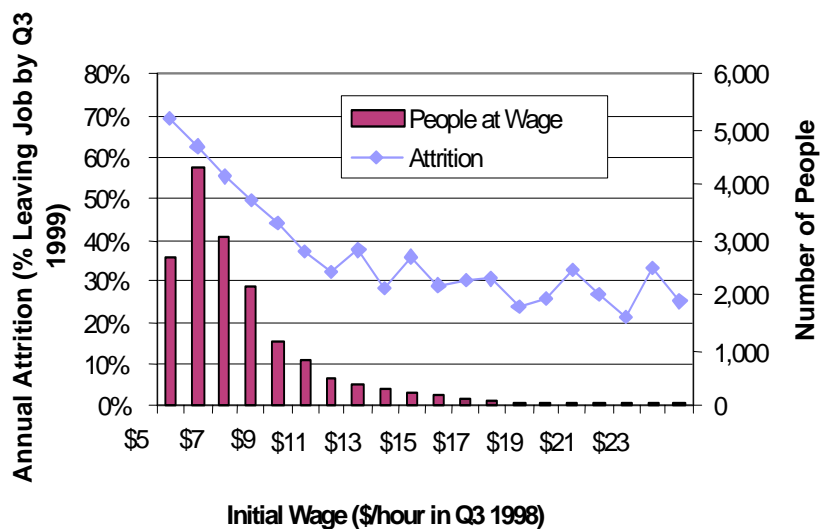
Attrition Among Child Care Center Employees Based on Data from Employment Security

Attrition among workers in child care centers was also examined using wage files of the Employment Security Department. We identified all employees of child care centers in the third quarter of 1998 and then looked to see if they were working for the same employer one year later, in the third quarter of 1999.

The percent of employees leaving their jobs within a year was termed annual attrition rate. Overall, of the 16,357 people employed by child care centers in the third quarter of 1998, only 47 percent were working for the same employer one year later. Annual attrition was 53 percent.

Figure 36 shows how the annual attrition rate of employees of child care centers varies by wage. At the lowest wages (between \$5 and \$6 per hour) attrition was high. The higher the initial wage, the lower the percent of employees who left their jobs within one year. Once wages reached \$11 per hour, however, attrition seemed to level off. Attrition remained at about 30 percent for all child care center employees earning over \$11 per hour.

**Figure 36. Annual Attrition of Child Care Center Employees
Based on Employment Security Data, 1998 to 1999**



Note: Information from Employment Security Data Files for Child Care (SIC #8351) for all employees earning less than \$25/hour (n=16,357).

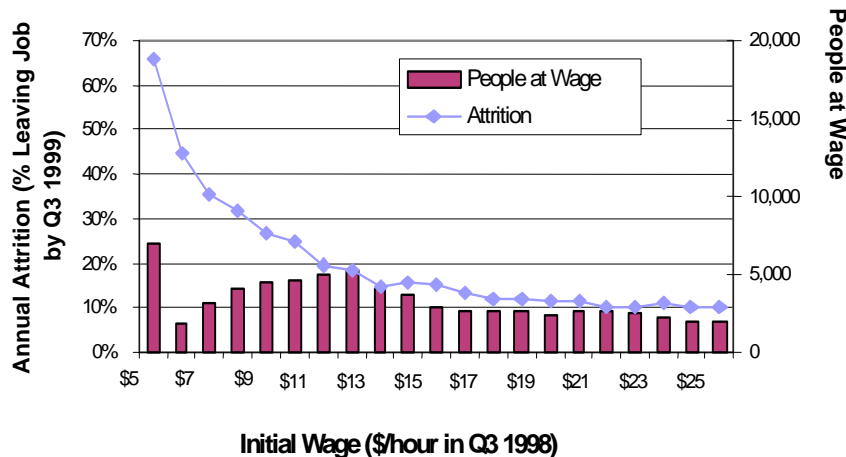
Source: DSHS Research and Data Analysis
Employment Security Data 1998-1999

This analysis does not distinguish among aides, teachers, supervisors, and directors. We presume that the persons receiving the highest wages were in the most responsible jobs. In the third quarter of 1998, when the minimum wage was \$5.15 per hour, 43 percent of center employees earned less than \$7 per hour.

Attrition Among Employees in K-12 Education Based on Data from Employment Security

As a comparison, we did a similar analysis using data for employees in kindergarten through grade 12 education. Like centers, attrition is very high at the lowest wages. As wages increase, attrition rates decline. Above \$17 per hour, attrition remains between 10 and 12 percent, regardless of wage. Overall, among the 69,799 employees earning \$25 per hour or less, annual attrition was 23 percent.

Figure 37. Annual Attrition of K-12 Education Employees Based on Employment Security Data, 1998 to 1999



Note: Information from Employment Security Data Files for K-12 Education (SIC #8211) for all employees earning less than \$25/hour (n=69,799).

Source: DSHS Research and Data Analysis
Employment Security Data 1998-1999

STARS Training in Centers and Homes

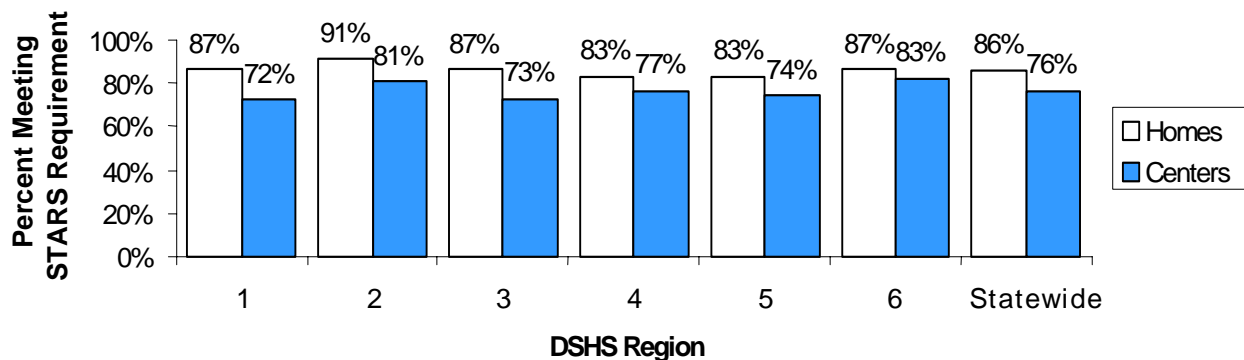
The State Training and Registry System (STARS) is a training system for providers of child care in Washington State. Child care directors, supervisors, lead teachers, and family home providers are required to complete an initial twenty hours of training within six months of employment. An additional ten hours is required annually. Providers with education or substantial experience in child care can be exempted from the training. The STARS training system went into effect in January 1999.

In the 2000 survey, family home providers were asked whether they had met the initial STARS requirement for twenty hours of basic training. Overall, 86 percent of providers said that they had either met, were exempt from, or waived the initial STARS requirements. The providers who said that they had not yet met the STARS requirements were more likely to be new providers (27 percent had been in business less than two years compared to 20 percent overall, see Figure 23). They also were more likely to expect to remain in business for less than two years (20 percent of providers not meeting STARS said that they expected to remain in business less than two years compared to 13 percent of providers overall, see Figure 24).

The 2000 survey asked the number of child care center employees that were required to meet the STARS training requirements. About 70 percent of employees must meet the STARS requirements either by participating in training or through exemption. Among center employees that are required to meet the STARS training requirements, 76 percent had met the basic STARS requirement in early spring of 2000. Not all of those employees that had not met STARS were in arrears; many were new employees who had six months to meet the STARS requirements.

Figure 38 displays the percent of family home providers and center employees that had met the initial STARS training requirements. Only family home providers in business for one year are included in the analysis. In child care centers, only employees that are required to meet the STARS requirement are included in the calculations.

Figure 38. Percent of Providers Meeting STARS Training Requirements



Note: Family home analysis limited to those in business for one year or more; center analysis excluded assistants.

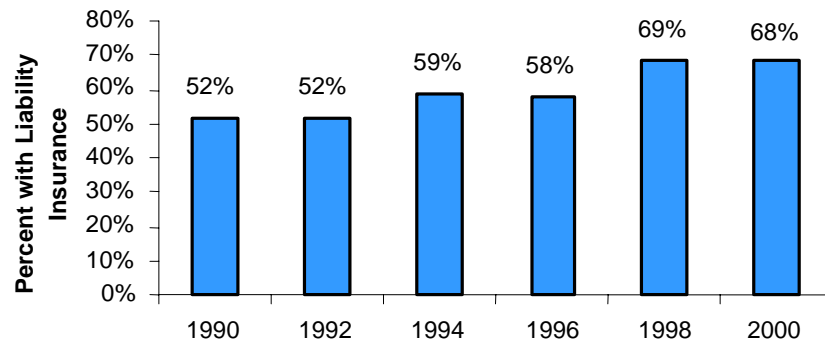
Source: DSHS Research and Data Analysis,
2000 Surveys of Child Care Centers and Family Home Providers

Business Expenses in Centers and Homes

Liability Insurance in Homes

Liability insurance is an important issue in operating a child care business. Since almost all centers carry liability insurance (93 percent in 1998), this question was not asked on the 2000 survey. While almost 70 percent of homes reported having liability insurance for their business, a significant proportion of homes continue to not have liability insurance (see Figure 39). Almost 60 percent of family home providers without liability insurance feel that they need it, and almost three-quarters of those who feel that they need it cite cost as why they do not carry it (data not displayed).

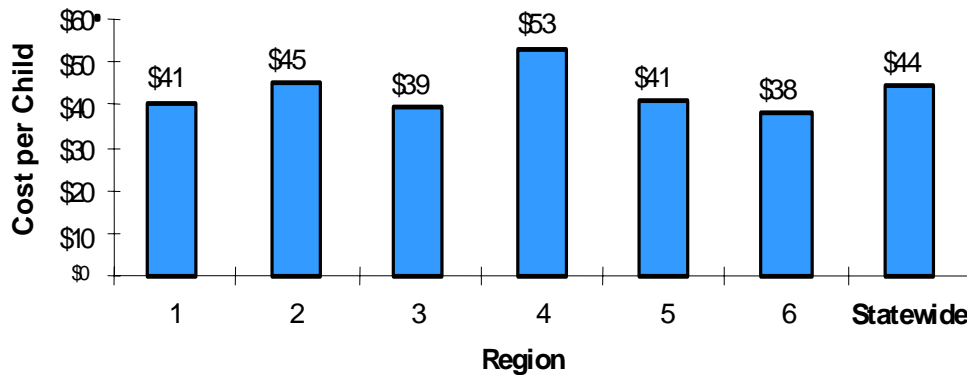
Figure 39. Percent of Family Homes with Liability Insurance, 1990 to 2000



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers and Family Homes

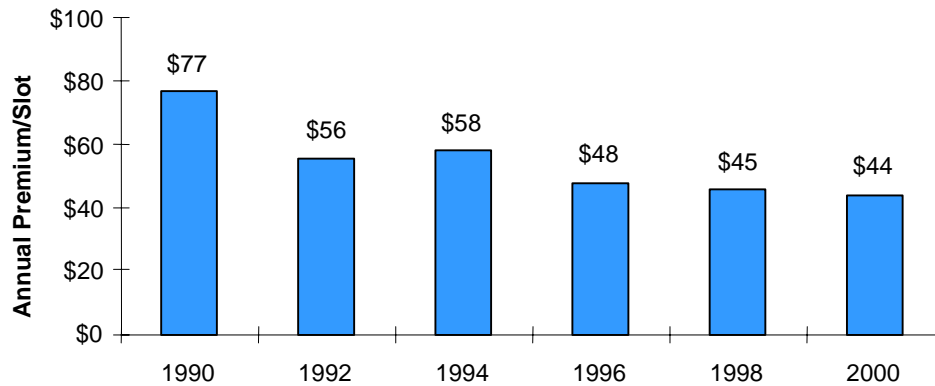
The average annual cost-per-child of liability insurance for homes by region is reported in Figure 40. Figure 41 displays how the cost of liability insurance has decreased in recent years.

Figure 40. Average Annual Cost of Liability Insurance per Child in Centers and Family Homes by DSHS Regions, 2000



Source: DSHS Research and Data Analysis, 2000 Surveys of Family Homes

Figure 41. Changing Cost of Liability Insurance per Child Adjusted for Inflation, 1990-2000

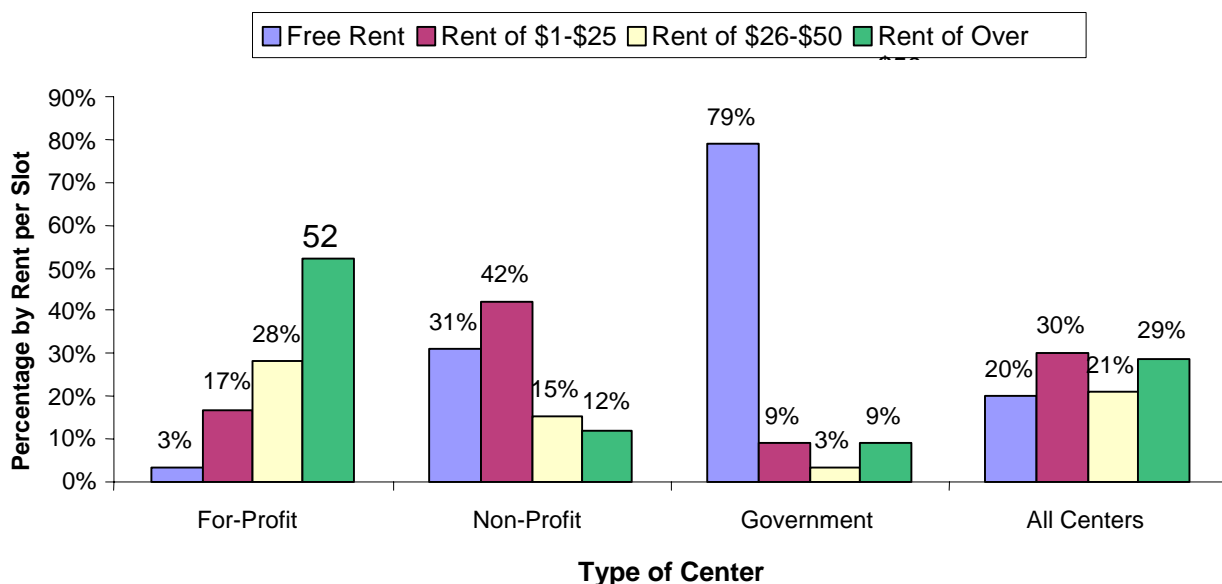


Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Family Homes

Estimated Monthly Cost for Rent in Centers

The 2000 center survey asked about several specific costs of doing business. Figure 42 displays the monthly cost of rent per slot. Rent costs are strongly related to the type of center, with 79 percent of government centers and 31 percent of non-profit centers paying no rent compared to only 3 percent of for-profit centers. On the other extreme, while 52 percent of for-profit centers pay over \$50 per slot in monthly rent, only 12 percent of non-profit centers and 9 percent of government centers pay that much.

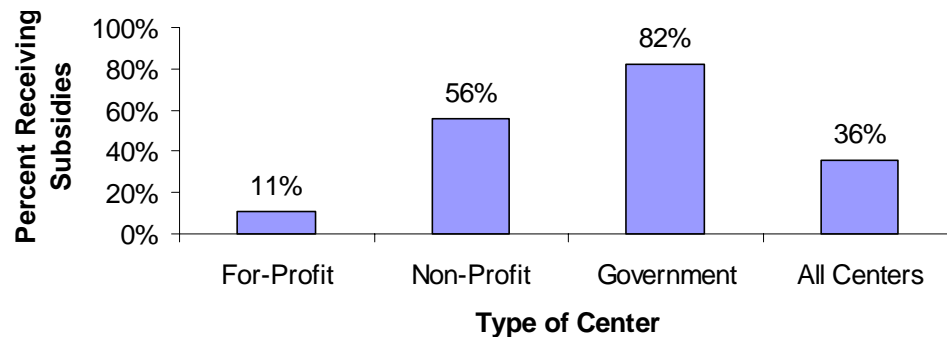
Figure 42. Monthly Rent Per Slot by Type of Center, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

The 2000 survey also asked centers about whether or not they received funds that subsidize their costs of operation, such as free or reduced rent, grants from charitable or government agencies, or other funds. The percentage of centers that receive subsidies is closely related to the type of the center, with only 11 percent of for-profit centers receiving donations, grants, or reduced rent. Over half of non-profit centers and 82 percent of government centers receive subsidies.

Figure 43. Receipt of Funds that Subsidize Operation Costs by Type of Center, 2000



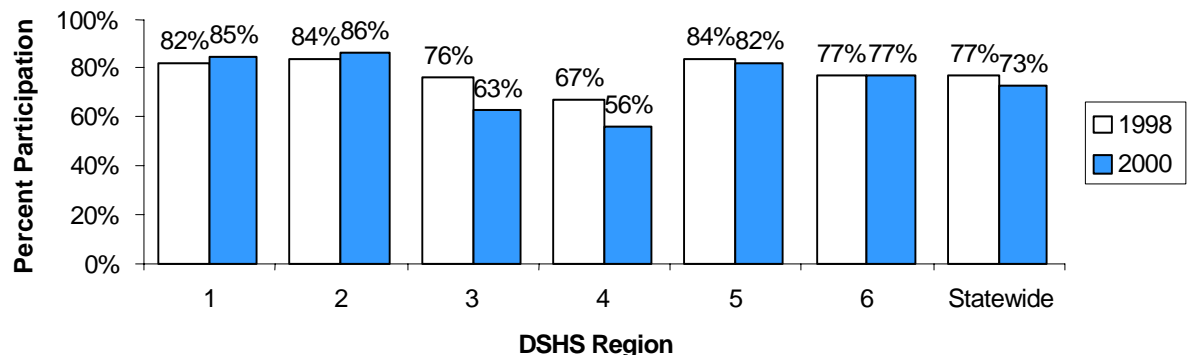
Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Centers were asked to estimate the value of the help that they received last year. Many centers were unable, in the course of a phone interview, to state the amount of help they received. Of the centers that provided information, half received help of \$6,000 or more in the previous year.

Participation of Family Homes in USDA Food Program

The Child and Adult Care Food Program (CACFP) of the Department of Agriculture reimburse participating centers and family homes for their meal costs. The participation of family home providers in the USDA food program is high: over 70 percent of all family homes participate. Figure 44 shows the percent of family homes participating by DSHS Region. The level of participation varies by DSHS Region, with Regions 3 and 4 having a significantly lower participation rate than Regions 1, 2, 5, and 6. Region 6 also has a lower participation rate than Regions 1 and 2.

Figure 44. Participation of Family Homes in USDA Food Program, 2000



Source: DSHS Research and Data Analysis
1998 and 2000 Surveys of Family Home Providers

The meal reimbursement rate was changed to a two-tier system in July of 1997. Since that time, family home providers located in low-income areas, or whose own households are low-income, have been reimbursed at a higher rate than other providers. It may be that the change to a two-tier system is related to the drop in participation between 1998 and 2000.

On the 2000 survey, providers were asked how much assistance they received from the USDA food program in the previous month. Of the homes that received a payment in the previous month, the average payment per home was \$281 and the average payment per slot was \$37. There were strong regional differences, with Region 1 receiving much higher payments than any of the other Regions and Region 3 receiving considerably lower payments.

Table 30. USDA Monthly Payments for Family Homes, 2000

Region	Average Payment	Average Payment
	Per Home*	Per Slot*
1	\$351	\$46
2	\$285	\$38
3	\$215	\$27
4	\$279	\$35
5	\$271	\$34
6	\$263	\$36
Statewide	\$281	\$37

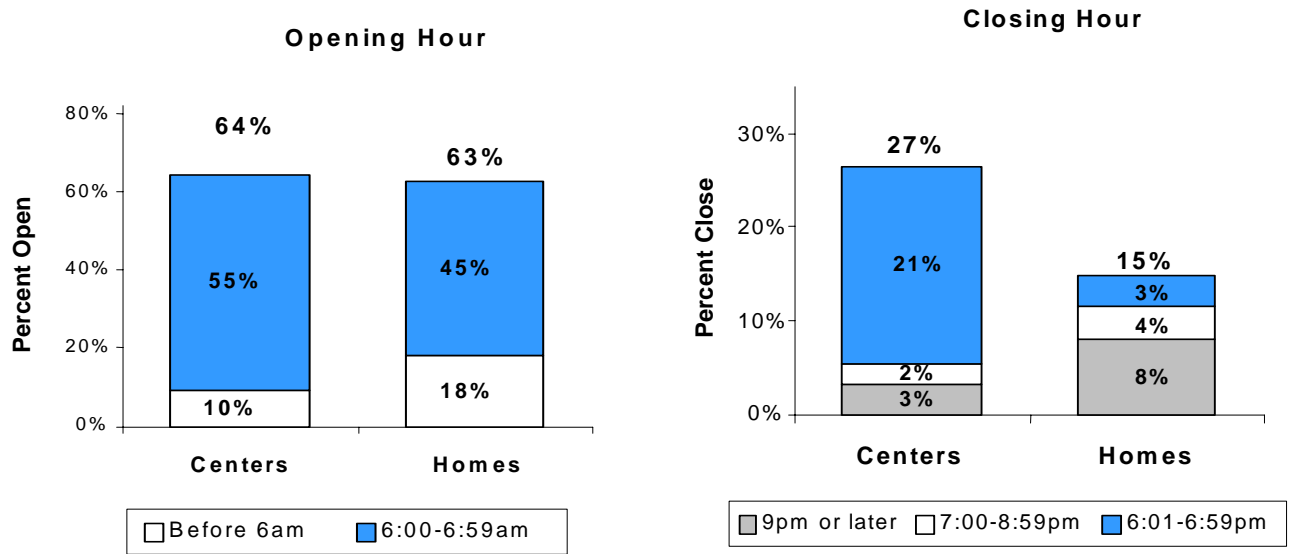
* Region 3 received a statistically significantly lower payment than any of the other regions. Region 1 received a larger payment than any of the other regions. This was true both for average payment per home and average payment per slot.

Source: DSHS Research and Data Analysis, 2000 Survey of Family Homes

Hours of Operation

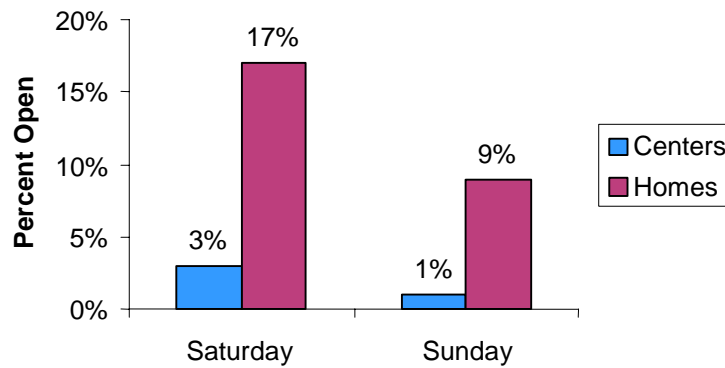
Few licensed child care facilities are open outside of the standard weekday hours—six in the morning to six at night. Only 10 percent of centers and 18 percent of homes opened before six in the morning. Similarly, only 5 percent of centers and 12 percent of homes were still open at seven in the evening. On the weekends, only 3 percent of centers and 17 percent of homes are open. Figure 45 shows the weekday opening and closing hours for centers and homes. Figure 46 displays the percent of centers and homes open on Saturday and Sunday.

Figure 45. Hours of Operation, Monday through Friday, Centers and Homes, 2000



Source: DSHS Research and Data Analysis
 2000 Survey of Child Care Centers and Family Home Providers

Figure 46. Licensed Facilities with Weekend Hours, 2000



Source: DSHS Research and Data Analysis
 2000 Survey of Child Care Centers and Family Homes

CHAPTER 5. CHILD CARE RATES

Market Prices and Subsidy Schedules

The biennial child care surveys provide information on the rates charged for child care in Washington State, both for private pay and DSHS-subsidized children. Many factors influence the prices that providers charge for child care. Those factors include:

- child's age (for example, providers usually charge more for infants than for toddlers or preschool-age children);
- type of facility (centers tend to charge higher rates than licensed family homes);
- length of time in care (providers generally charge less per hour for children in full-time care than for those in part-time care); and
- geographic location (providers in metropolitan areas tend to charge more than providers in rural areas).

The biennial surveys are used to identify the full-time prices charged children in different age categories, facilities, and geographic locations. Based on these market surveys and the state budget authorization, DSHS then determines the percentile of the market that it can afford to set.

If DSHS sets its rates at the 75th percentile, then for each age/facility/geographic category the DSHS rate will be at or above the price paid for by 75 percent of children in that age/facility/geographic category. DSHS maximum rates represent the most that the Department will pay to a provider for a given rate category. DSHS pays providers either their usual and customary rate or the DSHS maximum rate whichever is less.

DSHS maximum subsidy rates take into account economic variations in the price of child care for children of different ages, attending different type of facilities, and in different areas of the state. By varying rates by region, DSHS hopes to permit equal access to the child care market for subsidy clients across the state.

Prior to December 1995, DSHS developed rate clusters using the child care survey data. Counties were placed into clusters based on the amount that they charged for child care. These rate clusters proved to be unstable, needing re-definition with each survey. The six DSHS Administrative Regions, therefore, were selected as the geographical basis for setting child care rates. The DSHS Regions are stable, well recognized, and permit reasonable estimates of local market prices.

Before federal welfare reform, DSHS set its rates at the 75th percentile, in accordance with federal regulations. In 1996, the Personal Responsibility and Work Opportunity Reconciliation Act rescinded the requirement that maximum rates be set at the 75th percentile. After that, each state could set child care subsidy rates in accordance with its own budget.

Until recently, children who required less than 65 hours of care in a month were paid at an hourly rate. DSHS set maximum hourly rates based on what providers charged for part-time care. In February 1999, DSHS eliminated hourly rates for part-time care and all part-time care (less than five hours a day) was paid on a half-day rather than an hourly basis. The half-day rate was set at half the full-day rate, with the full-day rate being the full-time monthly rate divided by 22. (DSHS still pays hourly rates for care over ten hours per day in the seasonal program.)

Although DSHS has changed how it defines full-time care for the purpose of reimbursement, the rate-setting process continues to use 30 hours per week as its criterion for full-time care. The center and family home prices that are reported in this chapter and that DSHS uses to set maximum reimbursement rates are based on children in care for 30 hours or more per week. All maximum DSHS subsidy rates are based on the full-time prices reported in the provider surveys.

Prices According to the 2000 Survey

The monthly prices observed in the 2000 surveys for full-time children are displayed in Tables 31 and 32. The DSHS maximum rates in effect at the time of the survey are shown on the tables; they were based on the 71st percentile of the 1998 surveys and became effective November 1999. Also displayed are the new rates that went into effect on January 1, 2002. Full-time monthly rates can be converted into daily rates by dividing by 22. Part-time rates are based on these daily rates, with a full day defined as five or more hours.

Tables 31 and 32 show the observed prices for the 10th, 25th, 50th, 75th, and 90th percentiles for full-time care in child care centers and licensed family homes. The prices are calculated for each age category in the six DSHS Regions. Percentiles are the prices at which a specified percentage (5, 10, 25, 50, etc.) of children in the given age/region category receive care at or below the stated price at the time of the surveys. For example, 75 percent of full-time infants in Region 1 child care centers were charged \$595 per month or less for their care in the spring of 2000.

At the time of the 2000 surveys, DSHS maximum subsidy rates were based on the 71st percentile of the 1998 survey. But inflation in child care prices in the two years between the surveys had effectively reduced the percentile of the market that DSHS bought to approximately the 50th percentile. Looking at Tables 31 and 32, the DSHS rates in effect at the time of the 2000 surveys, are close to the 50th percentile of the 2000 survey. For example, the DSHS rate for infants in Region 1 was \$500 per month and the 50th percentile for infants in centers in Region 1 at the time of the 2000 survey was \$502. The new rates that went into effect on January 1, 2002 are based on the 58th percentile of the 2000 survey. Although the new rates are set at a lower percentile, they are higher than the old rates because they are based on more current data.

**Table 31. Monthly Full-Time⁽¹⁾ Prices in Child Care Centers, 2000
(DSHS Maximum Rates in Effect as of January 2002 are in Bold)**

Infant: Under 12 Months Old						
Percentile ⁽²⁾	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 450	\$ 435	\$ 570	\$ 688	\$ 500	\$ 460
25th	\$ 460	\$ 480	\$ 640	\$ 730	\$ 550	\$ 530
50th	\$ 502	\$ 528	\$ 688	\$ 805	\$ 594	\$ 565
75th	\$ 595	\$ 580	\$ 757	\$ 925	\$ 652	\$ 671
90th	\$ 630	\$ 682	\$ 797	\$1,044	\$ 692	\$ 748
DSHS Rates at Time of Survey ⁽³⁾	\$ 500	\$ 510	\$ 664	\$ 832	\$ 568	\$ 563
January 2002 DSHS Rates⁽⁴⁾	\$ 535	\$ 540	\$ 715	\$ 832	\$ 610	\$ 600
Toddler: 12 to 29 Months Old						
Percentile ⁽²⁾	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 352	\$ 380	\$ 460	\$ 552	\$ 415	\$ 400
25th	\$ 400	\$ 409	\$ 540	\$ 608	\$ 460	\$ 450
50th	\$ 441	\$ 450	\$ 584	\$ 660	\$ 506	\$ 500
75th	\$ 480	\$ 492	\$ 628	\$ 775	\$ 576	\$ 585
90th	\$ 521	\$ 581	\$ 682	\$ 893	\$ 598	\$ 662
DSHS Rates at Time of Survey ⁽³⁾	\$ 437	\$ 450	\$ 572	\$ 650	\$ 488	\$ 500
January 2002 DSHS Rates⁽⁴⁾	\$ 450	\$ 451	\$ 596	\$ 695	\$ 525	\$ 515
Preschooler: 30 to 59 Months Old						
Percentile ⁽²⁾	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 330	\$ 341	\$ 420	\$ 475	\$ 375	\$ 350
25th	\$ 380	\$ 370	\$ 470	\$ 520	\$ 400	\$ 390
50th	\$ 410	\$ 396	\$ 500	\$ 565	\$ 450	\$ 440
75th	\$ 450	\$ 455	\$ 538	\$ 630	\$ 495	\$ 510
90th	\$ 484	\$ 464	\$ 568	\$ 746	\$ 519	\$ 545
DSHS Rates at Time of Survey ⁽³⁾	\$ 396	\$ 391	\$ 484	\$ 575	\$ 428	\$ 440
January 2002 DSHS Rates⁽⁴⁾	\$ 425	\$ 418	\$ 515	\$ 583	\$ 462	\$ 450
School-age: Five Years and Older						
Percentile ⁽²⁾	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 250	\$ 300	\$ 320	\$ 320	\$ 308	\$ 286
25th	\$ 328	\$ 300	\$ 382	\$ 418	\$ 360	\$ 359
50th	\$ 388	\$ 300	\$ 452	\$ 500	\$ 400	\$ 407
75th	\$ 437	\$ 363	\$ 525	\$ 600	\$ 451	\$ 460
90th	\$ 490	\$ 445	\$ 565	\$ 662	\$ 504	\$ 517
DSHS Rates at Time of Survey ⁽³⁾	\$ 367	\$ 370	\$ 435	\$ 515	\$ 385	\$ 440
January 2002 DSHS Rates⁽⁴⁾	\$ 400	\$ 370	\$ 500	\$ 525	\$ 410	\$ 440

(1) Full-time prices are for thirty or more hours per week. For daily prices, divide by 22.

(2) Percentile: The percent of children in child centers at or below the price shown for that age category and Region.

(3) DSHS Rates at Time of Survey: DSHS rates that went into effect November 1999 and were in effect at the time of the 2000 Child Care Surveys. They are based on the 71st Percentile of the 1998 Child Care Surveys, with no decreases from previous rates.

(4) January 2002 DSHS Rates: DSHS rates that went into effect in January 2002. They are based on the 58th Percentile of the 2000 Child Care Surveys.

Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Table 32. Monthly Full-Time⁽¹⁾ Prices in Licensed Family Homes, 2000
(DSHS Maximum Rates as of January 2002 are in Bold)

Infant: Under 12 Months Old						
Percentile ⁽²⁾	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 297	\$ 352	\$ 418	\$ 484	\$ 317	\$ 352
25th	\$ 363	\$ 374	\$ 528	\$ 550	\$ 374	\$ 440
50th	\$ 403	\$ 440	\$ 605	\$ 638	\$ 462	\$ 484
75th	\$ 440	\$ 440	\$ 660	\$ 704	\$ 484	\$ 501
90th	\$ 528	\$ 528	\$ 704	\$ 825	\$ 550	\$ 550
DSHS Rates at Time of Survey ⁽³⁾	\$ 418	\$ 396	\$ 616	\$ 660	\$ 462	\$ 451
January 2002 DSHS Rates⁽⁴⁾	\$ 440	\$ 440	\$ 638	\$ 660	\$ 484	\$ 484
Toddler: 12 to 29 Months Old						
Percentile ⁽²⁾	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 299	\$ 308	\$ 414	\$ 484	\$ 352	\$ 363
25th	\$ 352	\$ 352	\$ 484	\$ 550	\$ 396	\$ 396
50th	\$ 387	\$ 396	\$ 550	\$ 616	\$ 440	\$ 440
75th	\$ 440	\$ 440	\$ 572	\$ 682	\$ 462	\$ 506
90th	\$ 484	\$ 484	\$ 678	\$ 825	\$ 550	\$ 550
DSHS Rates at Time of Survey ⁽³⁾	\$ 387	\$ 396	\$ 528	\$ 600	\$ 440	\$ 440
January 2002 DSHS Rates⁽⁴⁾	\$ 396	\$ 418	\$ 550	\$ 653	\$ 440	\$ 440
Preschooler: 30 to 59 Months Old						
Percentile ⁽²⁾	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 308	\$ 308	\$ 387	\$ 440	\$ 330	\$ 330
25th	\$ 330	\$ 330	\$ 440	\$ 484	\$ 374	\$ 396
50th	\$ 374	\$ 352	\$ 462	\$ 550	\$ 396	\$ 440
75th	\$ 440	\$ 396	\$ 550	\$ 638	\$ 440	\$ 440
90th	\$ 440	\$ 440	\$ 587	\$ 682	\$ 440	\$ 524
DSHS Rates at Time of Survey ⁽³⁾	\$ 374	\$ 352	\$ 484	\$ 550	\$ 418	\$ 396
January 2002 DSHS Rates⁽⁴⁾	\$ 396	\$ 374	\$ 484	\$ 550	\$ 418	\$ 440
School-age: Five Years and Older						
Percentile ⁽²⁾	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 264	\$ 286	\$ 286	\$ 330	\$ 225	\$ 264
25th	\$ 319	\$ 330	\$ 374	\$ 396	\$ 308	\$ 330
50th	\$ 341	\$ 352	\$ 440	\$ 506	\$ 352	\$ 396
75th	\$ 385	\$ 396	\$ 495	\$ 550	\$ 374	\$ 440
90th	\$ 440	\$ 396	\$ 550	\$ 616	\$ 440	\$ 484
DSHS Rates at Time of Survey ⁽³⁾	\$ 330	\$ 330	\$ 440	\$ 495	\$ 374	\$ 374
January 2002 DSHS Rates⁽⁴⁾	\$ 352	\$ 374	\$ 440	\$ 528	\$ 374	\$ 418

(1) Full-time prices are for thirty or more hours per week. For daily prices, divide by 22.

(2) Percentile: The percent of children in licensed family homes at or below the prices shown for that age category and Region.

(3) DSHS Rates at Time of Survey: DSHS rates that went into effect November 1999 and were in effect at the time of the 2000 Child Care Surveys. They are based on the 71st Percentile of the 1998 Child Care Surveys, with no decreases from previous rates.

(4) January 2002 DSHS Rates: DSHS rates that went into effect in January 2002. They are based on the 58th Percentile of the 2000 Child Care Surveys.

Source: DSHS Research and Data Analysis, 2000 Survey of Family Home Providers

Factors Associated with the Price of Child Care

Many factors affect the market price of child care. We have already seen that the price of child care is strongly related to the age of the child, the geographic location of the facility, and the type of care (center versus family home provider). In this section we identify other factors associated with the price of child care. In order to control for variation in rates based on the child's age and time in care, this analysis focuses on full-time preschool rates. This is the largest population of children in licensed care and the results reflect trends for the entire child care population.

Geographic region is a strong predictor of preschool child care prices. Table 33 displays the large difference in the average amount charged per child in three major geographic areas of Washington State for both child care centers and licensed family home providers. Figure B13 in Appendix B shows the average price of full-time preschool by county.

Table 33. Geographic Variation in Average Monthly Price for Full-Time Preschool

Geographic Area	Average Price of Full-Time Preschool	
	Centers*	Family Homes*
King County (DSHS Region 4)	\$590	\$563
Western Washington excluding King County (DSHS Regions 3, 5, 6)	\$464	\$441
Eastern Washington (DSHS Regions 1, 2)	\$410	\$373

*With more than 99% confidence these areas are significantly different from each other in the average price charged for full-time preschool.

Source: DSHS Research and Data Analysis,
2000 Surveys of Child Care Centers and Family Homes

As we saw in Chapter 4, centers in Region 4 pay their teachers more and are more likely to provide health insurance than centers in the rest of the state. Regional differences in wages and benefits help explain the variation in prices charged for child care across the state. Centers in King County pay teachers more (perhaps a necessity in King County in order to attract and retain employees), charge more for child care, and are more likely to provide health insurance.

Using more sophisticated statistical techniques it is possible to look at the contribution that multiple factors make to the cost of child care. Again we focused on predicting the cost of full-time preschool. Because there are so few government centers, they were omitted from the analysis. Five variables were included in the analysis. The results of this analysis are presented in Table 34.

The following variables were included in the analysis:

County Median Household Income. The wealth of the county was the most important predictor of the cost of care. Families in wealthier communities are more likely to be able to pay more for child care. In addition, centers in wealthier counties will have higher costs of doing business (rent, wages, etc.). County median income was the most important predictor of the price of child care, explaining 42 percent of the variation in preschool rates. On average, for every \$1,000 increase in the median household income of a county, centers charged an additional \$4.95 per month. For example, since the median income in Thurston County is \$10,000 more than that in Walla Walla County, the model predicts that the cost of preschool care (all other things being equal) will be about \$50 dollars more in Thurston County than in Walla Walla County.

Health Insurance. Providing health insurance is an additional cost for child care centers. This analysis suggests that centers pass along this cost to parents. On average, centers providing this benefit to employees charge an additional \$34.08 per month for full-time preschool care.

Child-to-Staff Ratio. The child-to-staff ratio is the number of children at the center divided by the number of paid staff (aides, teachers, and supervisors). For this measure, we assumed that all part-time children attended about half-time. We did not have information on how many paid staff work part-time. The child-to-staff ratio is the estimated number of full-time children divided by the number of staff. For every 1 unit change in the child-to-staff ratio (for example, having a staff ratio of 10-to-1 rather than 9-to-1), the price of preschool goes down \$6.66 per month.

Hourly Wage. The average hourly wage of aides, teachers, and supervisors was computed. For every additional dollar in wages, the price of child care rises by about \$8.33 per month.

Profit Status. The profit status of the center affects the prices it charges. Compared to non-profit centers, for-profit centers charge an additional \$19.39 a month. Non-profits may be able to charge less than for-profits in part because they are more likely to receive gifts, pay subsidized rents, pay lower taxes, and get other support.

The full model explains 48 percent of the variation in full-time preschool prices in centers. The county's median household income explains 42 percent of the variation in full-time preschool prices, and the other four variables explain an additional 6 percent.

Table 34. Predictors of Average Full-Time Preschool Prices

Average Additional Monthly Charge Per Child Starting with a base charge of \$178.70	
	Estimated Effect
County Median Income (in \$1,000s)	\$4.95
Health Insurance	\$34.08
Child-to-Staff Ratio	-\$6.66
Average Hourly Wage	\$8.33
For-profit Centers	\$19.39

Note: All of the variables are significant at the .001 level.

Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

A similar analysis was conducted of charges for full-time preschool in licensed family homes. Again, the county's median household income was an excellent predictor of charges for full-time preschool; it explained 27.5 percent of the variation in full-time preschool prices. Adding other variables to the prediction failed to increase the proportion of variation explained by one percent. The variables that were examined were the educational level of the provider, whether child care was the main source of income, how long the provider had been in business, whether the provider cared for his or her own children, and whether the provider used an assistant.

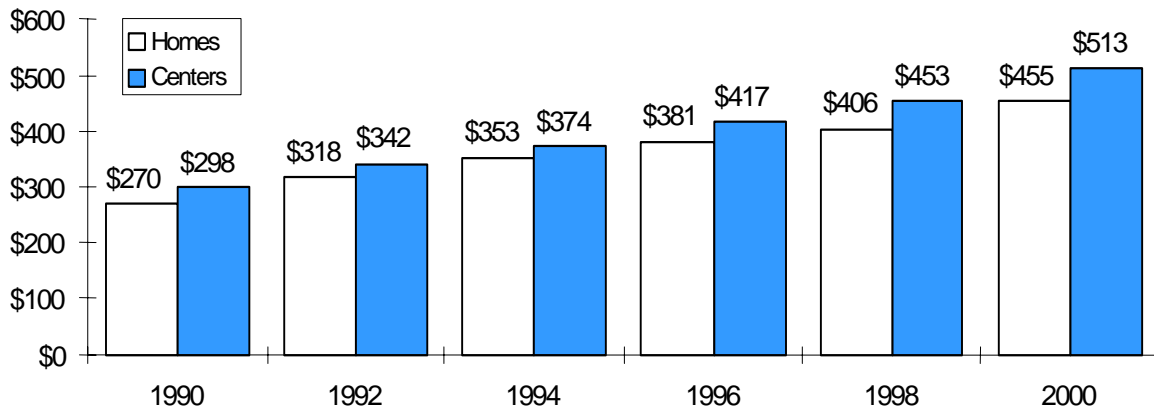
Child Care Price Increases

This section examines how the price of child care has changed over the past decade. Only children in full-time care are included, and the analysis assumes that the mix of ages of children has remained stable over time.

Figure 47 shows the monthly average prices for full-time care for children of all ages in child care centers and licensed family homes as estimated from the 1990, 1992, 1994, 1996, 1998, and 2000 child care surveys. From 1990 to 2000, the statewide average monthly price paid for full-time care in child care centers increased 72 percent from \$298 to \$513. For full-time care in licensed family homes the average monthly price increased 68 percent from \$270 to \$455.

About half of this price increase is due to inflation and does not represent a "real" increase in the cost of child care. While the price of child care in centers increased 72 percent from 1990 to 2000, inflation as measured by the US Consumer Price Index rose 32 percent during that same time period. Figure 48 shows average prices for full-time licensed child care from 1990 to 2000 after adjusting for inflation. Over the period 1990 to 2000, the inflation-adjusted cost of care increased 31 percent in centers and 28 percent in homes. Just in the past two years (1998 to 2000), the real price of full-time family home care climbed by six percent (from \$429 to \$455) and that of centers went up seven percent (from \$479 to \$513).

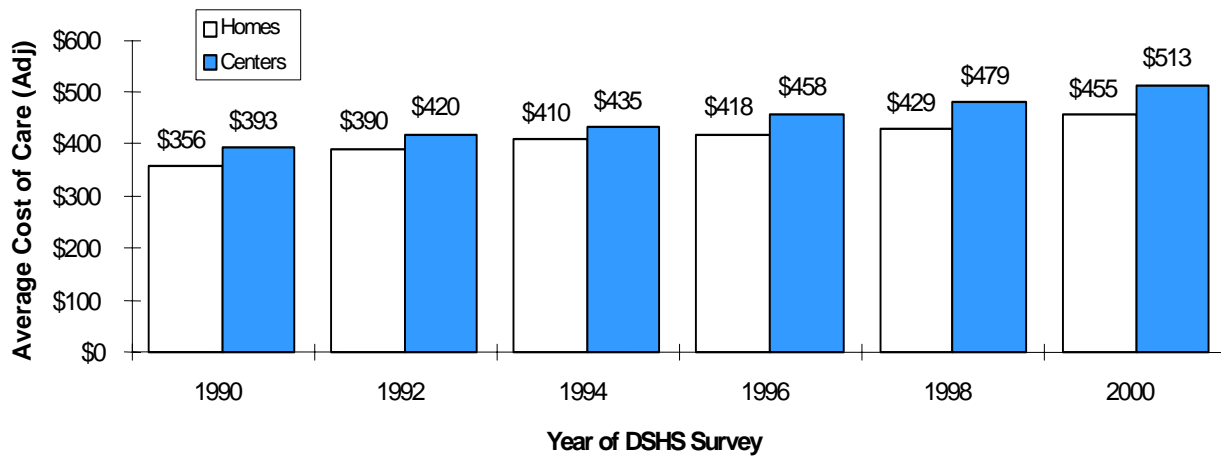
Figure 47. Nominal Average Monthly Prices* for All Children in Full-Time Licensed Child Care: 1990-2000



*Child weighted averages for full-time care.

Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers and Family Homes

Figure 48. Average Monthly Prices* for All Children in Full-Time Licensed Child Care: 1990-2000, Adjusted for Inflation

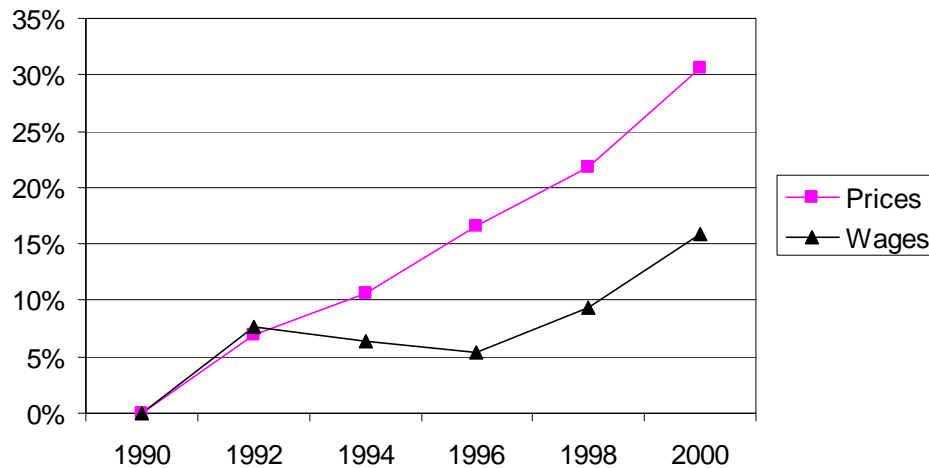


*Child weighted averages for full-time care.

Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers and Family Homes

Since 1990 the average child care prices charged by centers have increased 31 percent, adjusted for inflation. During the same period, the average real wages for teachers in centers increased by 16 percent. Figure 49 displays the percentage increase in full-time prices and teacher's wages over the last decade. Although wages and associated taxes and benefits constitute a major portion of center costs, the rise in teachers' wages in the past ten years has been much less than the rise in child care prices. Since 1996, however, wages have been tracking closely with the rise in child care prices.

Figure 49. Percent Increase in Center Child Care Prices and Teachers' Wages, 1990 to 2000
(Adjusted for Inflation, with 1990 as Base Year)



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers

CHAPTER 6. DSHS-SUBSIDIZED CHILDREN

Where Subsidized Children Received Care

An estimated 68,800 children per month received subsidized care in 2000 (Social Service Payment System, unpublished). Over the course of federal fiscal year 2000 child care was subsidized for 130,000 children (Federal Report ACF-800), almost twice the monthly number of children. Children received subsidized care in a variety of ways, either in licensed centers and family homes, or from unregulated but legal providers.

The surveys of child care centers and homes were conducted in February through April of 2000. According to DSHS payment records, about 64,200 children received subsidized care in those months. Approximately 35 percent of all subsidized children receive unregulated care, namely care provided in a child's home or at the home of a relative. The remaining 65 percent, or about 41,700 children, received care in a licensed care setting (child care centers or licensed family homes).

Using data from the 2000 surveys of child care centers and licensed family homes, we estimated that 40,930 children received subsidized child care in either a licensed family home or child care center at the time of the survey. This is slightly lower than the estimate using DSHS payment data. The discrepancy likely derives both from sampling error and because providers were restricted to describing enrollment for a single week.

At the time of the 2000 survey, one quarter of all children in licensed care were subsidized by DSHS. Licensed family home providers cared for 14,130 DSHS-subsidized children, representing 29 percent of all children in family home child care. Child care centers cared for about 26,800 DSHS-subsidized children, 23 percent of all children in centers. DSHS children were widely spread over 84 percent of centers and 58 percent of family homes. (See Table 35.)

Table 35. DSHS Children in Centers and Family Homes, 2000

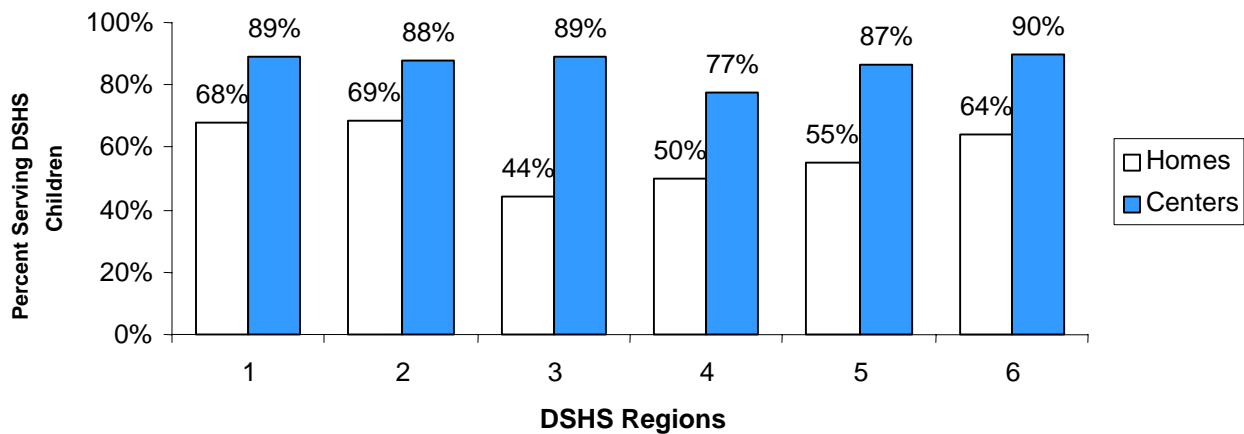
<u>DSHS Children</u>	<u>Centers</u>	<u>Family Homes</u>	<u>All Licensed Facilities</u>
Estimated Total	26,800	14,130	40,930
As Percent of All Children	23.1%	29.3%	24.9%
<u>Number of Facilities</u>			
With DSHS Children	1,690	4,175	5,865
As Percent of All Facilities	84%	58%	64%

Source: DSHS Research and Data Analysis
2000 Surveys of Child Care Centers and Family Homes

Regional Variation

The proportion of licensed facilities serving DSHS-subsidized children varied across the state (Figure 50). The proportion of centers serving subsidized children was significantly less in Region 4 than in other Regions. Family home providers were less likely than centers to care for subsidized children. Statewide, 58 percent of family home providers cared for subsidized children, compared to 84 percent of centers. A significantly smaller proportion of home providers in Regions 3 and 4 care for subsidized children than in Regions 1, 2, and 6 (Figure 50).

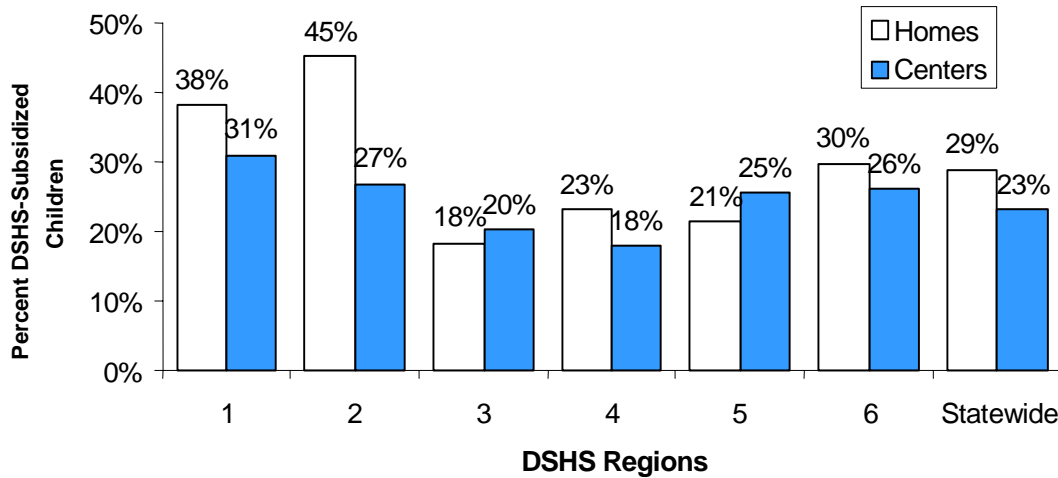
Figure 50. Facilities Serving DSHS-Subsidized Children, 2000



Source: DSHS Research and Data Analysis
2000 Surveys of Child Care Centers and Family Homes

Much of the difference in the proportion of centers serving DSHS children compared to family homes is attributable to the smaller size of family homes. As Figure 51 shows, the proportion of children in family homes that are subsidized by DSHS is generally as high or higher than the proportion in centers that are DSHS subsidized. Since family homes serve less than seven children on average, a smaller percentage of family homes serve subsidized children than the much larger child care centers with an average capacity of about sixty children.

Figure 51 displays the proportion of the licensed child care population subsidized by DSHS by region and by type of provider. In Regions 1 and 2, subsidized children represented about 40 percent of children in licensed family homes, a substantial increase from 1996 (20 percent for Region 1 and 17 percent for Region 2 in 1996). County-level information on the percent of all children in licensed care with subsidized child care is presented in Figure B10 of Appendix B.

Figure 51. DSHS-Subsidized Children as Percent of All Children in Licensed Facilities, 2000

Source: DSHS Research and Data Analysis
2000 Surveys of Child Care Centers and Family Homes

Neighborhood Poverty and Proportion of Children Subsidized by DSHS

The regional variation in the percent of children subsidized by DSHS is related to the wealth of the Region. As shown in Figure 51, Region 2 had the highest proportion of children in care subsidized by DSHS (45 percent of children in homes and 27 percent of children in centers). In Region 2 about one-quarter of all children under five lived in families with incomes below the poverty level (according to the 1990 Census). By contrast, Regions 3 and 4 had much lower proportions of children living in poor families (10 and 11 percent) and lower proportions of children in child care subsidized by DSHS.

We expected that we would find a strong relationship between the proportion of children subsidized by DSHS and poverty within smaller geographic areas. The 1990 Census contains zipcode level information on the proportion of families with children under 5 that are poor. By linking this information to the zip code of family home providers and child care centers, we examined the relationship between the proportion of children subsidized by DSHS and the relative poverty of the neighborhood as defined by zip code.

Table 36 displays the relationship between the proportion of children that are subsidized by DSHS and the relative poverty of the neighborhood. In the poorest neighborhoods, at least 22 percent of families with children under 5 lived in poverty. In those neighborhoods, 33 percent of children attending centers and 50 percent of children attending licensed homes were subsidized by DSHS. At the other extreme, DSHS subsidized 10 percent or less of the children in licensed care in affluent neighborhoods (less than 4 percent of children living in poverty).

Table 36 also shows the relationship between the proportion of children living in poverty and the likelihood that a family home will serve DSHS children. Given that few children in more affluent neighborhoods qualify for DSHS subsidies, it is surprising that 29 percent of family homes in affluent neighborhoods serve DSHS children. On the other hand, almost 80 percent of family homes in poor neighborhoods (22 percent or more of children in poverty) serve DSHS children.

Table 36. Neighborhood Poverty and Proportion of Children Subsidized by DSHS

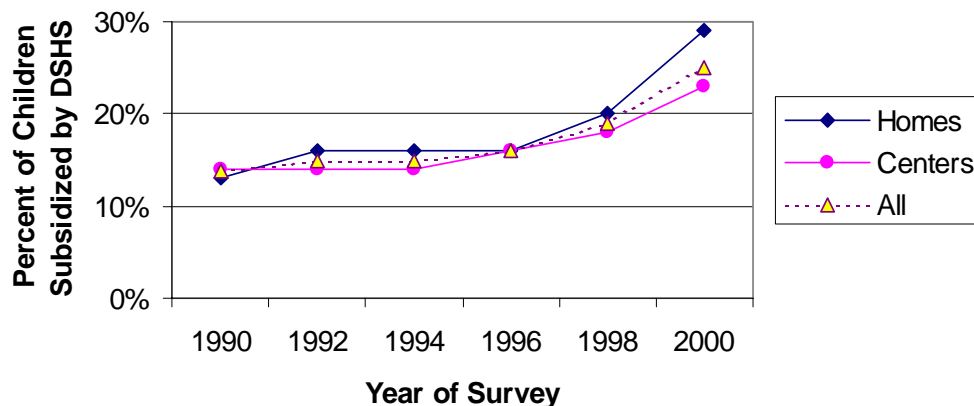
Proportion of Families in Zipcode with Children under 5 below Poverty	Proportion of Children in Care That are Subsidized by DSHS		Percent of Family Homes Serving DSHS Children
	Centers	Homes	
<4.0%	10.2%	6.8%	28.8%
4.0-7.4%	16.1%	16.7%	44.1%
7.5-12.9%	20.2%	21.8%	46.1%
13.0%-21.9%	29.4%	29.1%	64.9%
22% or more	33.3%	50.3%	79.7%

Source: DSHS Research and Data Analysis
2000 Surveys of Child Care Centers and Family Homes

Rise in Use of Subsidized Care

The proportion of children in licensed care whose care is subsidized by DSHS has risen substantially over the past ten years. After remaining at about 15 percent from 1990 through 1996, the proportion of children in licensed care subsidized by DSHS rose to 19 percent in 1998. In 2000, 25 percent or one out of every four children in licensed care had their child care costs subsidized by DSHS.

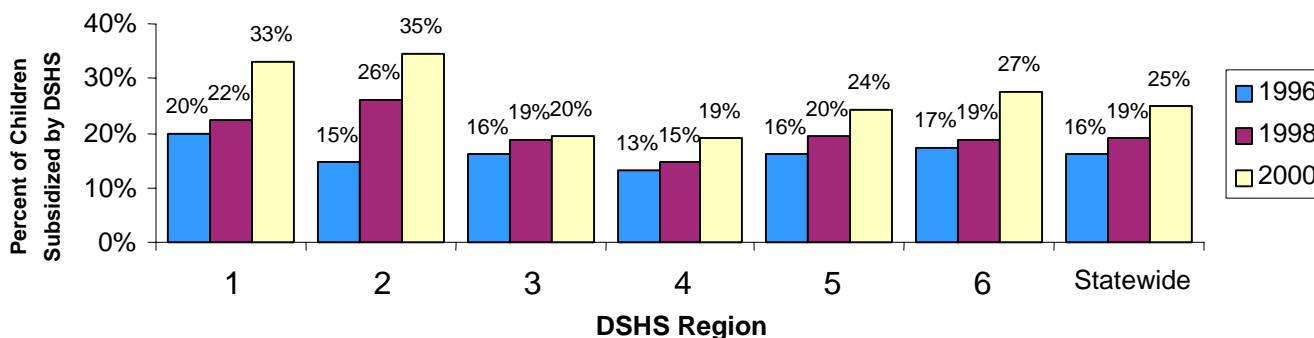
Figure 52. DSHS-Subsidized Children as Percent of All Children in Licensed Facilities, 1990- 2000



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers and Family Homes

Figure 53 displays the proportion of children subsidized by DSHS Region. Since 1996 all DSHS Regions have experienced a rise in the proportion of children in child care that had their care subsidized by DSHS. While the increase is greatest in Regions 1 and 2, Regions 5 and 6 also experienced an increase of over 50 percent in the proportion of children in licensed care whose care is subsidized by DSHS.

Figure 53. Percent of Children in Licensed Care Subsidized by DSHS By DSHS Region, 1996-2000



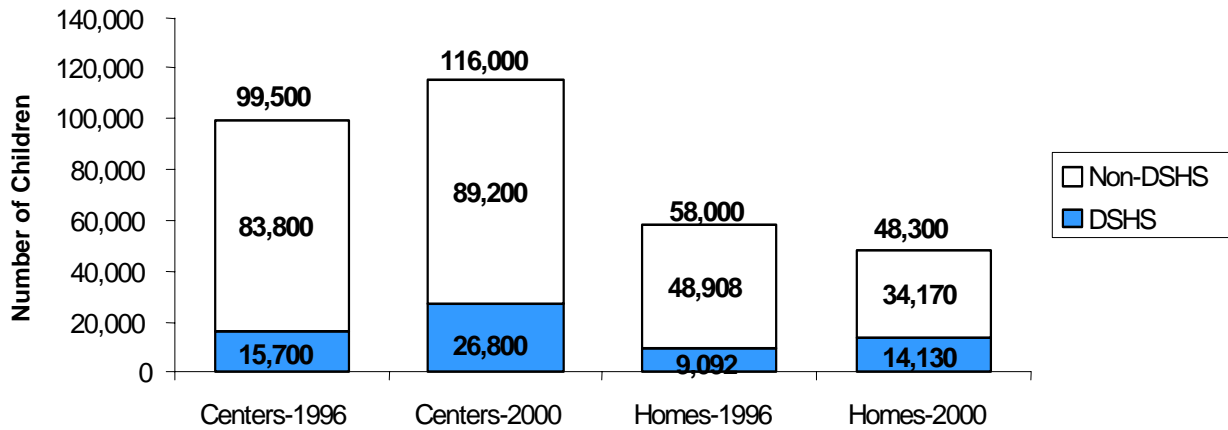
Source: DSHS Research and Data Analysis
1996, 1998 and 2000 Surveys of Child Care Centers and Family Homes

From 1996 to 2000, the number of children in licensed care rose from 157,500 in 1996 to 164,300 in 2000, a rise of four percent (see Figure 3 on page 11). During those same years, the number of children in licensed care subsidized by DSHS rose from 24,790 to 40,930, a rise of 65 percent. The small rise in the overall number of children in licensed care in combination with the large rise in the number of DSHS subsidized children in licensed care has led to the rise in the proportion of children in licensed care subsidized by DSHS.

Both centers and family homes have experienced a rise in the proportion of children subsidized by DSHS. As shown in Figure 54 on the next page, the number of children in child care centers grew from 99,500 to 116,000 in the four years from 1996 to 2000. The number of DSHS subsidized children in centers rose by 11,100 (from 15,700 to 26,800) and the number of children not subsidized by DSHS rose 5,400 (from 83,800 to 89,200). While most of the growth in the center population during that time was among DSHS subsidized children, the number of non-subsidized children in centers grew as well.

The situation for licensed family homes was quite different. From 1996 to 2000, the total number of children in licensed family homes declined from 58,000 to 48,300. The number of DSHS-subsidized children in licensed family homes grew 55 percent from 9,092 to 14,130 while the number of non-subsidized children declined 30 percent from 48,908 to 34,170. The decline in the number of non-subsidized children in licensed family homes in combination with a rise in the number of subsidized children attending licensed family homes has resulted in a sharp rise in the proportion of children in licensed family homes that are subsidized by DSHS from 16 to 29 percent.

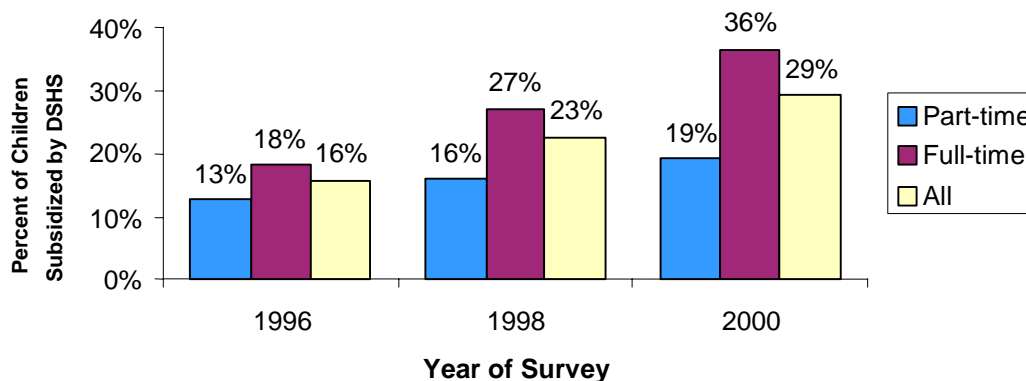
Figure 54. Number of Subsidized and Non-Subsidized Children in Centers and Licensed Homes, 1996 and 2000



Source: DSHS Research and Data Analysis
1996 and 2000 Surveys of Child Care Centers and Family Homes

Figure 55 provides information on the proportion of children in licensed family homes that are subsidized by the amount of time that a child is in care. The rise in the percent of children subsidized by DSHS has been much greater among full-time children than among children in part-time care. The percent of part-time children subsidized by DSHS only rose from 13 percent in 1996 to 19 percent in 2000. Over the same four years, the percent of children in full-time care subsidized by DSHS doubled from 18 percent to 36 percent.

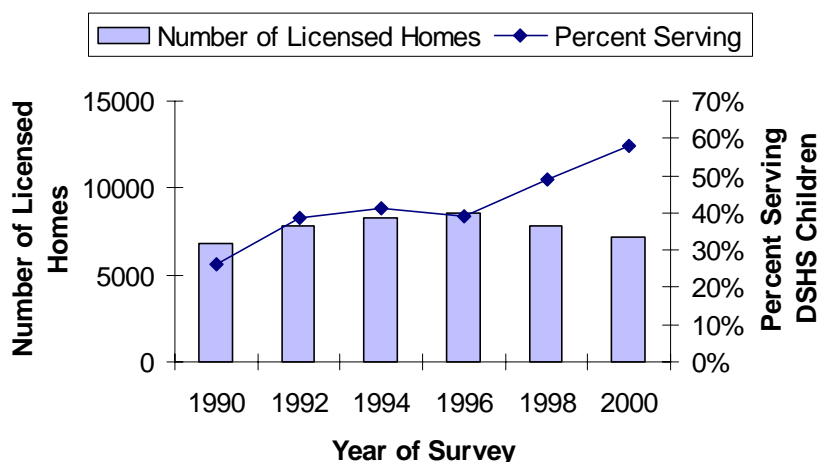
Figure 55. Percent of Full-Time and Part-Time Children Subsidized by DSHS, Children in Licensed Family Homes, 2000



Source: DSHS Research and Data Analysis
1996, 1998 and 2000 Surveys of Family Homes

During the same period that the proportion of children in licensed homes that are subsidized has grown so markedly, the number of licensed family home providers has fallen from 8,600 in 1996 to 7,208 in 2000. Figure 56 displays the number of licensed family homes in columns. In the same graph there is a line showing the percent of homes serving DSHS children. As the number of licensed family homes has declined, those family homes that are licensed are increasingly serving DSHS children.

Figure 56. Number of Family Homes and Percent Serving DSHS Children, 1990-2000



Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Family Homes

Last, we present information in Table 37 on changes by Region in the number of licensed family homes and the percent serving DSHS children. In 1996, Regions 1 and 2 had the highest proportion of family homes serving DSHS children. Over the next four years, those two Regions experienced the least change in the number of licensed homes. Regions 3 and 4, on the other hand, had the lowest proportion serving DSHS children in 1996 and they experienced the largest drops in the number of licensed homes between 1996 and 2000. This data in Table 37 suggests that many family homes that continue to be in business and continue to be licensed do so because they serve DSHS subsidized children.

Table 37. Number of Licensed Family Homes and Percent Serving DSHS Children, 1996 and 2000

Region	Number of Homes		Change Between	% Change Between	Percent Serving	
	1996	2000	1996 and 2000	1996 and 2000	1996	2000
1	1,336	1,174	-162	-12%	49%	68%
2	1,055	1,108	53	5%	49%	69%
3	1,465	1,127	-338	-23%	31%	44%
4	2,147	1,645	-502	-23%	30%	50%
5	1,150	954	-196	-17%	44%	55%
6	1,447	1,200	-247	-17%	45%	64%
Statewide	8,600	7,208	-1,392	-16%	40%	58%

Source: DSHS Research and Data Analysis
1996 and 2000 Surveys of Family Homes

Who Serves DSHS-Subsidized Children?

Willingness to Serve Subsidized Children and Enrollment Limits

In 2000, 84 percent of centers served DSHS-subsidized children. Of the centers not serving, 70 percent stated a willingness to enroll DSHS-subsidized children. Five percent of centers stated that they did not serve and were unwilling to serve DSHS-subsidized children. Of centers serving DSHS families, 13 percent said that they limit the number of DSHS children that they were willing to enroll. For those centers with limits, the average limit was twelve subsidized children. Centers in Region 4 were least likely to care for subsidized children and most apt to limit their number (Table 38). However, even in Region 4, 92 percent of centers were willing to enroll DSHS children.

Table 38. Centers Limiting Enrollment of DSHS-Subsidized Children

DSHS Region	Number of Centers	Percent Willing to Serve DSHS Children	Percent Serving DSHS Children	Percent Limiting DSHS Children ^[1]	Average Limit on DSHS Children ^[2]
1	305	98%	89%	10%	13
2	178	95%	88%	9%	7
3	291	97%	89%	11%	11
4	628	92%	77%	15%	12
5	303	96%	87%	12%	11
6	299	96%	90%	14%	14
Statewide	2,004	95%	84%	13%	12

^[1] For centers serving DSHS children.

^[2] For centers with a limit on number of DSHS children served.

Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

In the 2000 survey we asked licensed family home providers if they were willing to care for DSHS-subsidized children and if they had cared for DSHS-subsidized children in the last week. Ninety-two percent of family home providers said they would be willing to provide care to subsidized families (Table 39). About 65 percent of the family providers who were willing to accept DSHS subsidized children cared for subsidized children in 2000.

Table 39. Family Homes Taking DSHS-Subsidized Children

DSHS Region	Willing to Take DSHS Children	Serving DSHS Children
1	92%	68%
2	93%	69%
3	91%	44%
4	90%	50%
5	93%	55%
6	92%	64%
Statewide	92%	58%

Source: DSHS Research and Data Analysis
2000 Survey of Family Homes

Increased Access to Licensed Care

Access to center care for DSHS-subsidized children has generally improved since 1990. In the survey conducted in 1990, 74 percent of centers and 26 percent of licensed family homes reported serving DSHS children (see Table 40). For the past six years the proportion of centers serving DSHS children has been about 85 percent. The increase in centers appears to be due to changes in the proportion of for-profit centers serving DSHS children. While the proportion of non-profit centers accepting DSHS children has been stable over the past eight years, the proportion of for-profit centers serving DSHS children has increased. Non-profit and for-profit centers are now similar in their likelihood to care for subsidized children. Among licensed family homes, the proportion serving DSHS children has risen dramatically over the past six years, reaching 58 percent in the 2000 survey.

Table 40. Changes in Centers and Family Homes Accepting DSHS Children, 1990-2000

Year	Centers with DSHS Children	For-Profit Centers with DSHS Children	Non-Profit Centers with DSHS Children	Centers Limiting DSHS Children	Homes with DSHS Children
1990	74%	67%	80%	Unknown	26%
1992	73%	69%	76%	24%	38%
1994	76%	70%	79%	20%	41%
1996	84%	83%	83%	13%	39%
1998	85%	86%	84%	16%	49%
2000	84%	87%	83%	13%	58%

Source: DSHS Research and Data Analysis
1990, 1992, 1994, 1996, 1998 and 2000 Surveys of Child Care Centers and Family Homes

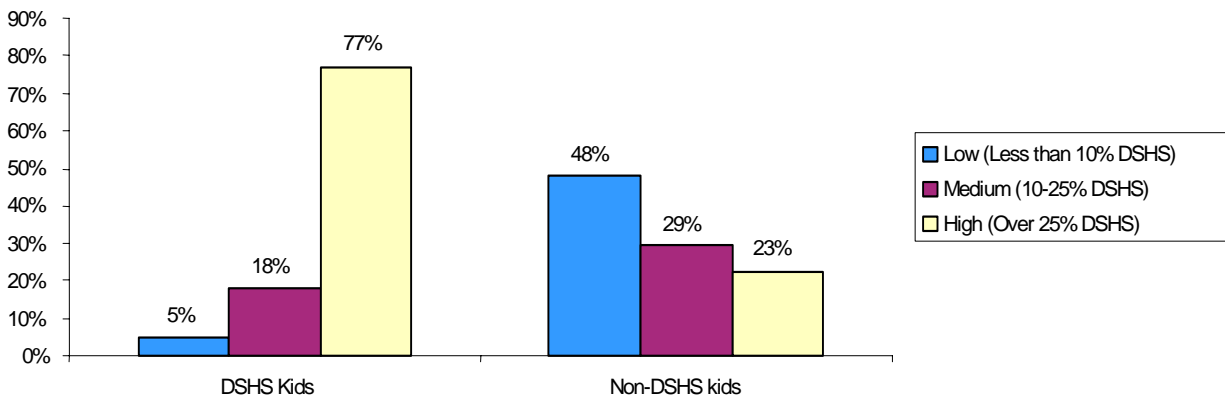
Characteristics of Centers and Homes Serving DSHS Children

Distribution of DSHS Subsidized Children in Centers

While most child care centers serve at least one DSHS child, the proportion of children in a center that are subsidized by DSHS varies widely. The proportion of children that are subsidized by DSHS can be used to categorize centers. About 35 percent of centers have less than 10 percent of their children subsidized by DSHS ("Low"). At the other end, 40 percent of centers have more than 25 percent of their children subsidized by DSHS ("High"). The remaining 25 percent of centers have between 10 and 25 percent of their children subsidized by DSHS ("Medium"). In the past two years the proportion of centers with more than 25 percent of their children subsidized has risen from 31 to 40 percent of all centers (see page 60 in the 1998 Report for the 1998 data).

Figure 57 displays the percent of DSHS-subsidized children that attend centers with differing concentrations of DSHS children ("Low"/"Medium"/"High"). While 35 percent of centers have fewer than 10 percent of their children subsidized by DSHS, only 5 percent of DSHS children attend such centers. On the other hand, almost half of all children that are not subsidized attend such centers. At the other extreme, over three-quarters of DSHS-subsidized children who attend child care centers go to centers where over 25 percent of the children are subsidized by DSHS.

Figure 57. Distribution of Children by Receipt of Subsidies, According to the Proportion in the Center Subsidized by DSHS, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

DSHS Children and Race/Ethnicity of Family Home Providers

The ethnicity of family home providers is related to the percent and number of children in their care that are subsidized by DSHS. Table 41 shows that almost sixty percent of all family homes served DSHS children. The percentage of Hispanic and black family home providers that served DSHS subsidized children was much higher (Hispanic: 88 percent; black: 89 percent). Statewide, 29 percent of children in family homes were subsidized; however, 73 percent of children cared for by Hispanic providers and 63 percent of all children cared for by black providers were subsidized by DSHS. Last, Table 41 displays the average number of DSHS children served by the ethnicity of the family home provider for homes serving DSHS children. The statewide average was 3.4 subsidized children per home (for homes serving DSHS children). The average number of DSHS children per Hispanic or black family home provider (4.9 and 4.6) was higher than the average number of 2.9 DSHS children per white family home provider.

Table 41. Family Home Providers Serving DSHS Subsidized Children by Ethnicity of Provider, 2000

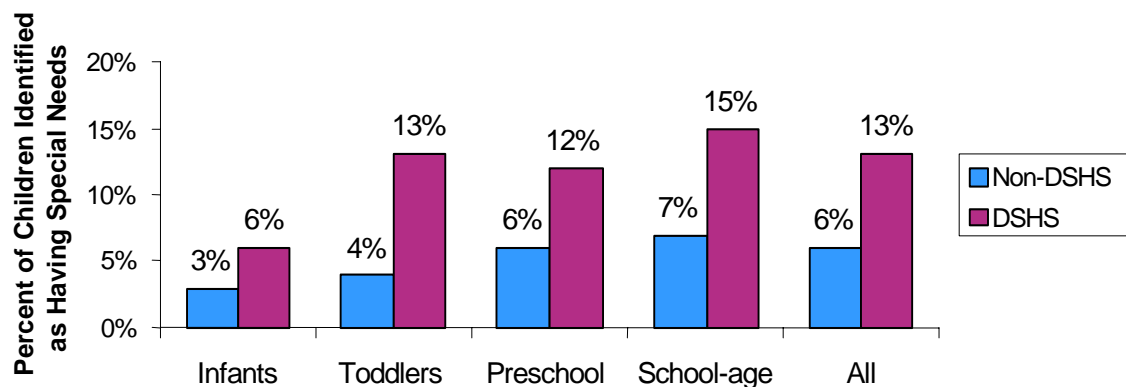
Race or Ethnicity of Provider	Number of Providers	Percent of Providers	Percent Serving DSHS Children	Number of DSHS Children Served	Percent of Children Subsidized by DSHS	Average Number of DSHS Children Served
White	5,619	78%	51%	8,483	22%	2.9
Hispanic	843	12%	88%	3,649	73%	4.9
Asian	122	2%	71%	285	35%	3.3
Black	219	3%	89%	899	63%	4.6
Native American	73	1%	45%	88	20%	2.7
Other or Unknown	332	5%	70%	727	41%	3.1
State Total	7,208	100%	58%	14,131	29%	3.4

Source: DSHS Research and Data Analysis, 2000 Survey of Family Homes

Children with Special Needs

On the 2000 survey, we asked providers about the children with special needs that they served. For family homes we asked both whether or not a child was subsidized by DSHS and whether the provider felt that the child had special needs. Overall, 13 percent of DSHS children were identified by family home providers as having special needs and 6 percent of non-DSHS children were identified as having special needs. For each age category, DSHS subsidized children were about twice as likely to be identified as having special needs compared to non-DSHS subsidized children.

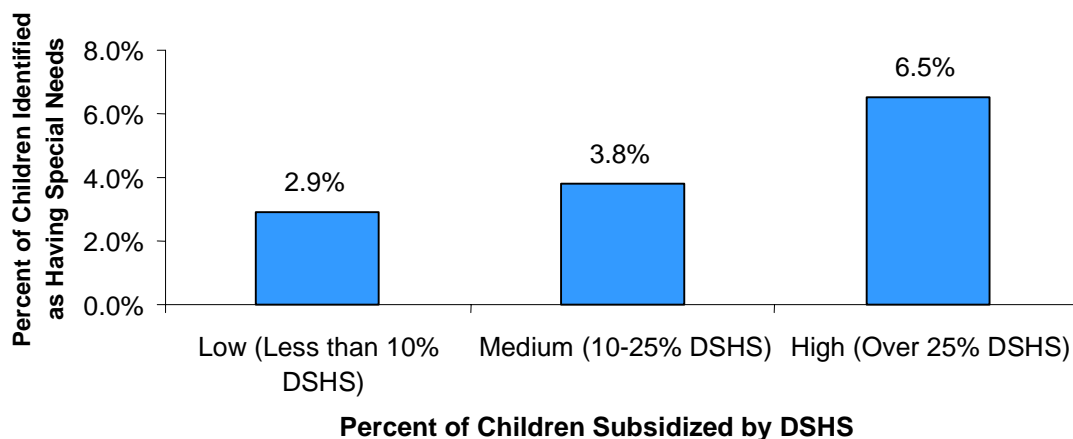
Figure 58. Percent of Children with Special Needs in Family Homes by DSHS Status, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Family Homes

Centers were asked how many children with special needs they served. The higher the proportion of children in a center subsidized by DSHS, the higher the proportion of children with special needs that a center reported serving. In centers with over one-quarter of their children subsidized by DSHS, over 6 percent of their children had special needs. At the other extreme, in centers with less than 10 percent subsidized by DSHS, only 3 percent of the children were identified as having special needs.

Figure 59. Percent of Children with Special Needs in Centers by DSHS Status, 2000



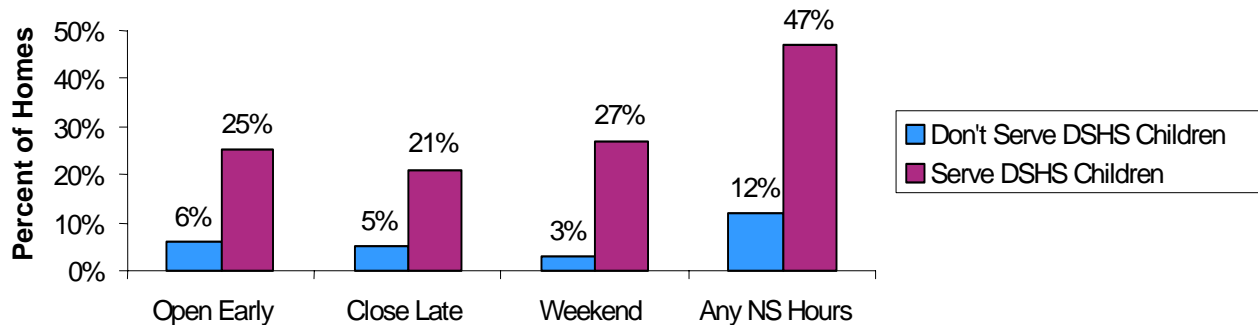
Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Non-Standard Hours Among Providers Serving DSHS Children

Chapter 4 presented information on the opening and closing times of licensed providers. The relationship between the hours that a provider cares for children and how many DSHS children they serve is examined in this section. If a provider cares for children before 6 in the morning they are categorized as “Open Early”. If a provider remains open after 6 in the evening, then they “Close Late”. If they are open on the weekend, they are “Weekend”. Last, if a provider opens before 6 am, closes after 6 pm, or has weekend hours, then they have non-standard hours (“NS Hours”).

Figure 60 displays the proportion of licensed family homes that have non-standard hours by whether or not they serve any DSHS children. Home providers that serve DSHS children are much more likely than home providers that do not serve DSHS children to open early in the morning, close late in the evening, and to be open on the weekend. Overall, almost half of family homes providers that serve DSHS children have non-standard hours. On the other hand, only 12 percent of homes that do not serve DSHS children have non-standard hours.

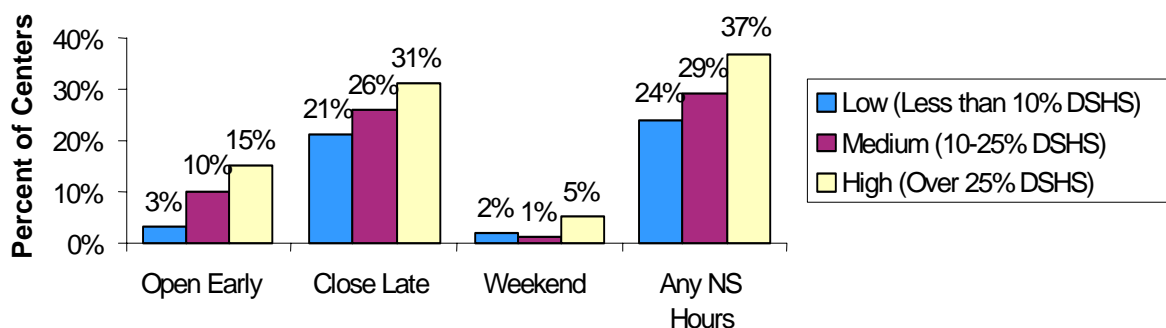
Figure 60. Percent of Family Homes with Non-Standard Hours, by DSHS Status, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Family Homes

The relationship between non-standard hours and the percent of children subsidized by DSHS was examined for centers. Figure 61 displays the proportion of centers with non-standard hours by the percent of children in the center subsidized by DSHS. The greater the proportion of children subsidized by DSHS in a center, the more likely the center is to open early in the morning and close late in the evening. Overall, while only 24 percent of centers with a low proportion of children subsidized by DSHS are open non-standard hours, 37 percent of center with a high proportion of children subsidized by DSHS are open non-standard hours.

Figure 61. Percent of Centers with Non-Standard Hours, by DSHS Status, 2000



Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Effects of DSHS Maximum Rates

DSHS pays providers their usual and customary rates, up to the DSHS maximum rate. Every two years DSHS changes the maximum rate to reflect changes in market rates. At the time of the survey, DSHS maximum rates were set at the 71st percentile of rates observed in the 1998 survey. It is reasonable to assume that providers' decisions to accept DSHS subsidized children will depend partly on whether or not they will receive their customary rate for care. If subsidy rates are too low, parents using subsidies may be limited to the less expensive providers.

Among centers caring for full-time preschool-age children, the average rate for such care generally was less in centers that served DSHS children than in those centers that did not (Table 42). The statewide difference was driven by Region 4, where 48 percent of the centers not serving DSHS children were located. Among centers serving subsidized children, those limiting DSHS enrollment charged more for full-time preschool care on average than centers that set no limits. Differences in rates charged by providers who served versus did not serve subsidized children were significant in Regions 1 and 4. Among providers accepting DSHS subsidized children, significant rate differences were observed in Regions 1, 3, 4, and 6 according to whether or not they limited enrollment (Table 42).

**Table 42. Full-time Rates for Preschool-Age Children,
Difference Between Centers Serving DSHS Children and Those Not Serving, 2000**

Region	Serving DSHS Children		Of Centers Serving DSHS Children Setting Limit to their Enrollment	
	Yes	No	Yes	No
1	\$405	\$453 ⁽¹⁾	\$447	\$394 ⁽³⁾
2	\$414	*	*	\$412
3	\$495	\$524	\$512	\$490 ⁽¹⁾
4	\$575	\$657 ⁽²⁾	\$624	\$563 ⁽³⁾
5	\$450	\$485	\$457	\$448
6	\$444	\$440	\$492	\$432 ⁽¹⁾
Statewide	\$488	\$586⁽³⁾	\$530	\$479⁽³⁾

* Too few centers to report.

⁽¹⁾ Difference between 'Yes' and 'No' significant at .05. ⁽²⁾ Difference between 'Yes' and 'No' significant at .01.⁽³⁾ Difference between 'Yes' and 'No' significant at .001.

Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

A similar comparison among homes found that homes serving DSHS subsidized children had slightly lower average full-time preschool rates than homes that did not serve DSHS children. However, the difference was not statistically significant.

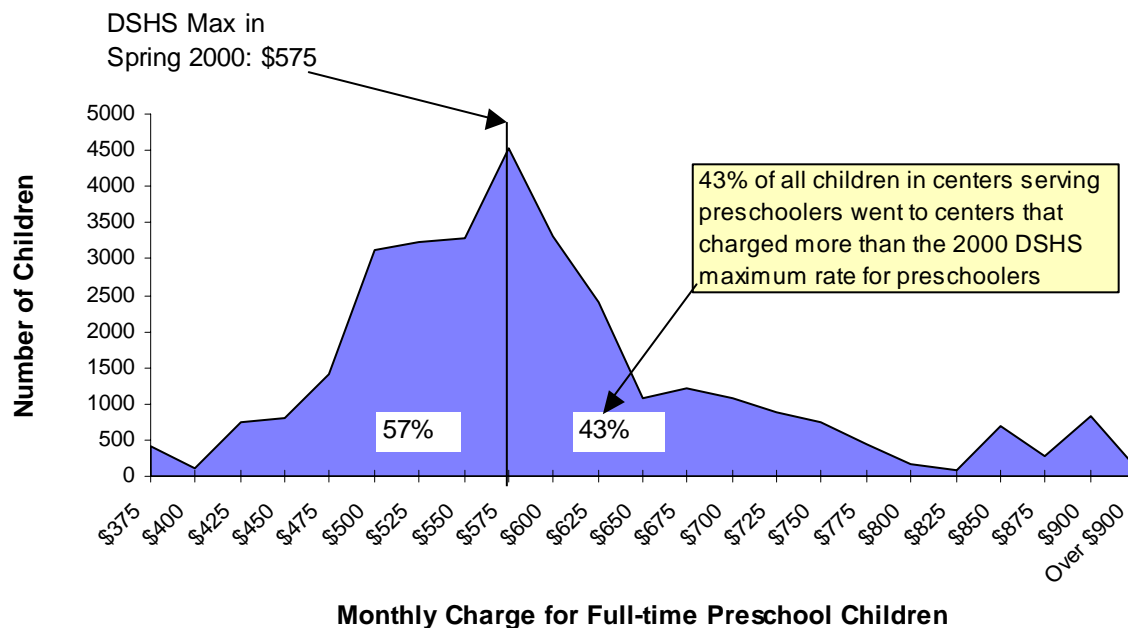
The higher rate charged by providers who did not care for subsidized children when compared to providers who did care for subsidized children suggests that DSHS subsidy rates may deter some providers from accepting DSHS subsidized children. Other factors may also have contributed to the observed differences in centers.

Region 4 Centers as an Example

A wide range of providers serves DSHS children. Even some of the more expensive providers are willing to care for DSHS children, as illustrated in the following two figures (Figures 62 and 63). For simplicity, we limited our analysis to centers in Region 4 that serve full-time preschool-age children.

Figure 62 shows the distribution of children in Region 4 by the rate that the center charged for full-time preschool care. At the time of the 2000 survey, the DSHS maximum rate for preschoolers in center care was \$575 a month. Fifty-seven percent of children in centers in Region 4 received care in centers charging less than the DSHS rate for full-time preschool. Thus, by the time of the 2000 survey, the DSHS maximum rate was at about the 57th percentile in Region 4. (The DSHS maximum rate in effect at the time of the 2000 survey was based on the 71st percentile of the 1998 survey.)

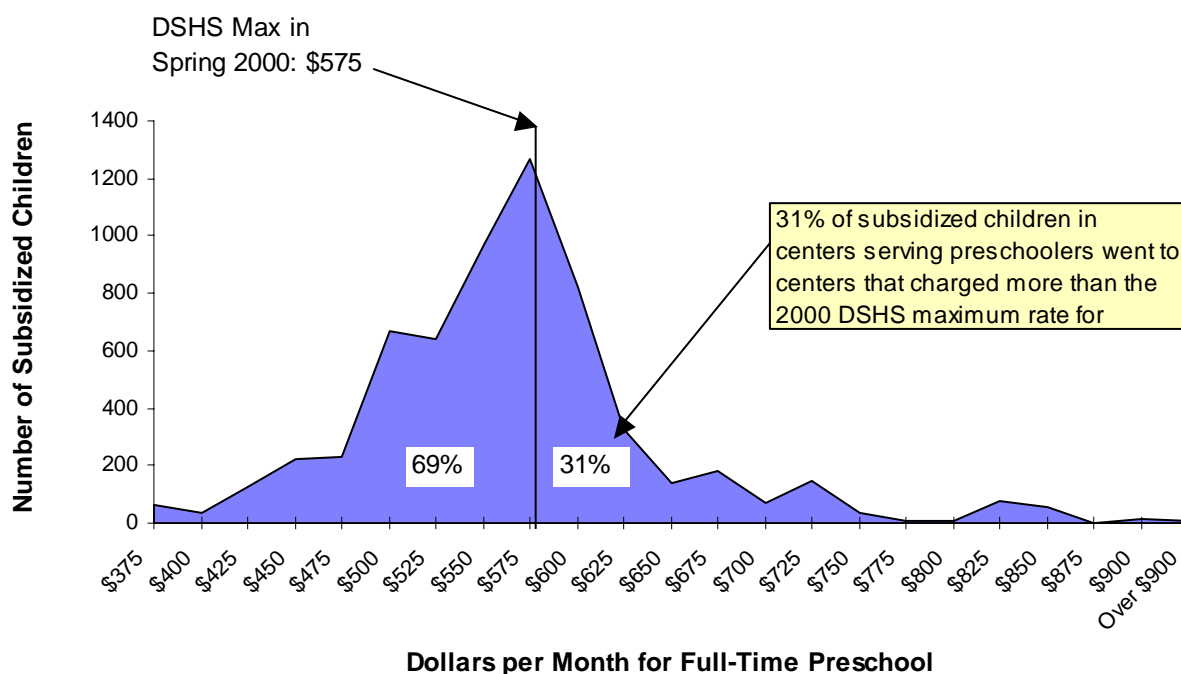
Figure 62. Number of Children in Centers by Monthly Charges for Full-Time Preschool Care, Region 4



Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

Figure 63 shows the distribution of DSHS children by the rate that the center charged for preschool care. At the time of the 2000 survey 31 percent of DSHS-subsidized children went to centers that customarily charged more than the DSHS maximum. The providers that served those children would be receiving less than their customary rates. While DSHS-subsidized children are less likely to attend centers with preschool rates above the DSHS maximum than are non-subsidized children, many DSHS-subsidized children attended centers in the spring of 2000 that charged more than the DSHS maximum. Few DSHS-subsidized children are accepted by centers with very high rates.

Figure 63. Number of DSHS-Subsidized Children in Centers by Monthly Charge for Full-Time Preschool Care, Region 4



Source: DSHS Research and Data Analysis, 2000 Survey of Child Care Centers

APPENDIX A: COUNTY STATISTICS

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Table A1. 2000 County Level Statistics: Facilities and Child Care Slots

<u>Counties</u>	<u>Licensed Centers</u>	<u>Licensed Homes</u>	<u>Licensed Facilities</u>	<u>Slots in Centers</u> ^[1]	<u>Slots in Homes</u> ^[2]	<u>Total Capacity</u> ^[3]
Adams	4	20	24	143	163	306
Asotin	10	14	24	335	94	429
Benton	51	298	349	2,850	2,172	5,022
Chelan	31	216	247	1,119	1,702	2,821
Clallam	21	58	79	864	476	1,340
Clark	88	530	618	5,354	3,647	9,001
Columbia	1	4	5	40	31	71
Cowlitz	26	75	101	1,654	530	2,184
Douglas	9	103	112	536	904	1,440
Ferry	1	3	4	15	23	38
Franklin	19	192	211	1,011	1,581	2,592
Garfield	0	1	1	0	12	12
Grant	13	199	212	546	1,280	1,826
Grays Harbor	21	77	98	909	700	1,609
Island	15	67	82	643	487	1,130
Jefferson	2	24	26	140	189	329
King	628	1,645	2,273	39,515	12,744	52,259
Kitsap	66	262	328	3,433	1,946	5,379
Kittitas	11	51	62	459	324	783
Klickitat	2	16	18	57	142	199
Lewis	24	57	81	941	450	1,391
Lincoln	3	9	12	105	71	176
Mason	11	54	65	349	436	785
Okanogan	14	58	72	613	473	1,086
Pacific	5	12	17	175	95	270
Pend Oreille	4	6	10	66	44	110
Pierce	237	692	929	12,764	5,664	18,428
San Juan	6	7	13	183	46	229
Skagit	41	152	193	1,792	1,333	3,125
Skamania	3	6	9	111	49	160
Snohomish	174	792	966	12,031	6,158	18,189
Spokane	197	485	682	11,135	3,855	14,990
Stevens	6	22	28	188	200	388
Thurston	94	291	385	5,120	2,242	7,362
Wahkiakum	2	0	2	75	0	75
Walla Walla	16	60	76	751	476	1,227
Whatcom	55	109	164	2,210	848	3,058
Whitman	13	38	51	801	261	1,062
Yakima	80	503	583	5,210	3,560	8,770
State Total	2,004	7,208	9,212	114,243	55,408	169,651

[1] Sum of centers' licensed capacities

[2] Licensed Slots minus provider's own children

[3] Sum of Licensed Slots in Centers and Homes

Due to higher level of detail, columns may not always agree with totals shown elsewhere.

DSHS Office of Research and Data Analysis
2000 Survey of Child Care Centers and Homes

Table A2. 2000 County Level Statistics: Vacancies and Vacancy Rates

Counties	Total Capacity	Vacancies, All Age Groups			Vacancy Rate ^[1]	Vacancies for Very Young Children			
		Centers	Homes	Total		Centers ^[2]	Homes ^[3]		
						Infants	Toddlers	Under Two	Total
Adams	306	10	43	52	17%	0	1	13	15
Asotin	429	40	5	46	11%	1	3	0	4
Benton	5,022	572	242	815	16%	27	51	167	244
Chelan	2,821	133	274	407	14%	20	22	95	137
Clallam	1,340	171	70	240	18%	16	25	23	64
Clark	9,001	621	629	1,250	14%	51	117	252	419
Columbia	71	9	1	10	14%	5	0	1	6
Cowlitz	2,184	174	63	237	11%	2	41	23	66
Douglas	1,440	0	229	229	16%	0	0	93	93
Ferry	38	0	6	6	16%	0	0	3	3
Franklin	2,592	300	370	670	26%	55	99	127	281
Garfield	12		7	7	0%	0	0	3	3
Grant	1,826	38	308	346	19%	7	7	131	144
Grays Harbor	1,609	72	97	170	11%	3	8	54	66
Island	1,130	32	69	101	9%		9	39	48
Jefferson	329	20	32	52	16%	14	0	10	24
King	52,259	4,130	2,012	6,142	12%	205	683	604	1,493
Kitsap	5,379	557	281	837	16%	21	96	87	204
Kittitas	783	77	22	99	13%	3	19	11	33
Klickitat	199	15	56	71	36%	0	0	22	22
Lewis	1,391	174	128	302	22%	23	47	33	103
Lincoln	176	23	6	29	17%	2	8	6	16
Mason	785	45	43	88	11%	2	10	20	33
Okanogan	1,086	112	78	190	17%	14	11	33	58
Pacific	270	24	17	41	15%		5	4	9
Pend Oreille	110	16	2	18	16%	0	4	2	6
Pierce	18,428	1,516	709	2,225	12%	78	315	256	649
San Juan	229	42	5	47	21%	5	30	7	42
Skagit	3,125	310	193	503	16%	31	70	70	170
Skamania	160	44	13	57	35%		8	1	9
Snohomish	18,189	1,632	749	2,382	13%	104	306	314	724
Spokane	14,990	1,480	567	2,047	14%	99	322	156	577
Stevens	388	61	29	90	23%	4	7	16	27
Thurston	7,362	783	237	1,020	14%	24	109	102	235
Wahkiakum	75	9		9	12%	3	9	0	12
Walla Walla	1,227	70	60	130	11%	9	4	6	18
Whatcom	3,058	340	104	445	15%	10	18	34	62
Whitman	1,062	89	12	101	9%	0	5	7	12
Yakima	8,770	617	828	1,445	16%	20	79	271	369
State Total	169,651	14,356	8,598	22,954	14%	855	2,544	3,099	6,499

[1] Vacancy rate = Vacancies/Licensed Slots

[2] Center Vacancies: Infants up to 1; Toddlers 1 to 2.5

[3] Home Vacancies for Infant/Toddlers under 2 years old

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Table A3. 2000 County Level Statistics: Children in Licensed Child Care

Counties	All Children		Children in Licensed Care			% Under 13 in Licensed Care ^[2]	Total Capacity ^[3]	Slots per 100 Children ^[4]
	Under 13 ^[1]	Children<5	Centers	Homes	Total			
Adams	4,066	1,552	239	127	365	9%	306	8
Asotin	3,711	1,406	402	81	484	13%	429	12
Benton	29,886	10,779	2,684	2,101	4,785	16%	5,022	17
Chelan	13,176	4,750	921	1,465	2,385	18%	2,821	21
Clallam	9,648	3,313	1,022	550	1,572	16%	1,340	14
Clark	72,047	26,886	6,060	3,315	9,374	13%	9,001	12
Columbia	660	217	31	29	60	9%	71	11
Cowlitz	17,719	6,203	1,944	581	2,525	14%	2,184	12
Douglas	6,844	2,464	522	653	1,175	17%	1,440	21
Ferry	1,252	394	30	23	53	4%	38	3
Franklin	12,487	4,933	846	1,299	2,145	17%	2,592	21
Garfield	392	110	0	5	5	1%	12	3
Grant	17,176	6,524	693	1,031	1,725	10%	1,826	11
Grays Harbor	11,905	4,185	1,060	713	1,773	15%	1,609	14
Island	13,131	4,781	855	397	1,252	10%	1,130	9
Jefferson	3,457	1,059	192	213	405	12%	329	10
King	282,810	105,321	39,216	11,337	50,553	18%	52,259	18
Kitsap	43,975	15,536	3,751	1,928	5,678	13%	5,379	12
Kittitas	4,776	1,706	458	336	794	17%	783	16
Klickitat	3,563	1,229	73	168	241	7%	199	6
Lewis	12,432	4,397	999	440	1,439	12%	1,391	11
Lincoln	1,743	584	121	67	188	11%	176	10
Mason	7,979	2,663	420	419	839	11%	785	10
Okanogan	7,536	2,493	507	415	922	12%	1,086	14
Pacific	2,981	963	181	99	281	9%	270	9
Pend Oreille	2,066	637	66	59	125	6%	110	5
Pierce	136,898	49,861	13,731	4,596	18,328	13%	18,428	13
San Juan	1,822	525	284	54	338	19%	229	13
Skagit	19,038	6,718	1,718	1,029	2,747	14%	3,125	16
Skamania	1,798	632	93	47	140	8%	160	9
Snohomish	119,830	43,461	11,143	5,045	16,188	14%	18,189	15
Spokane	76,012	27,478	12,088	3,140	15,228	20%	14,990	20
Stevens	7,716	2,425	302	170	473	6%	388	5
Thurston	36,499	12,827	4,741	1,962	6,703	18%	7,362	20
Wahkiakum	591	202	72	0	72	12%	75	13
Walla Walla	9,556	3,469	742	368	1,110	12%	1,227	13
Whatcom	28,581	10,210	2,467	923	3,390	12%	3,058	11
Whitman	5,231	1,973	702	257	959	18%	1,062	20
Yakima	51,436	19,440	4,584	2,863	7,448	14%	8,770	17
State Total	1,082,427	394,306	115,960	48,306	164,265	15%	169,651	16

[1] Based on 2000 Census estimate of children under 13

[2] Children in licensed care/All children under 13

[3] From last column of Table A1

[4] 100 x (Licensed slots/All children under 13)

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Table A4. 2000 County Level Statistics: Children with Subsidized Child Care

Counties	Children with Subsidized Child Care					
	Estimate from Child Care Surveys			Information from SSPS ^[2]		Children Under 13 in Poverty ^[4]
	February 2000 ^[1] Licensed Care Only			Calendar Year 2000 ^[3] Licensed Care Only	Licensed or Exempt Care	
	Centers	Homes	Both			
Adams	45	63	108	453	762	882
Asotin	168	14	182	462	656	876
Benton	608	682	1,290	2,671	3,697	3,586
Chelan	278	790	1,068	2,358	3,337	2,530
Clallam	245	183	429	1,104	1,481	1,698
Clark	1,247	889	2,136	4,325	7,323	9,366
Columbia		9	9	17	60	139
Cowlitz	583	237	820	1,919	3,345	3,207
Douglas	219	361	580	1,104	1,453	951
Ferry	3	7	10	43	138	292
Franklin	638	957	1,595	2,976	3,938	3,047
Garfield		0	0	3	24	47
Grant	212	466	678	2,016	2,906	3,590
Grays Harbor	402	245	647	1,311	2,056	2,750
Island	141	111	252	540	744	1,247
Jefferson	110	66	176	266	416	626
King	6,998	2,666	9,664	18,639	26,358	34,786
Kitsap	893	493	1,385	2,415	3,870	5,409
Kittitas	50	49	99	305	369	778
Klickitat	16	88	104	294	474	787
Lewis	455	255	710	1,462	2,462	2,375
Lincoln	48	15	63	113	148	265
Mason	74	151	225	672	1,098	1,420
Okanogan	330	187	516	1,071	1,674	1,959
Pacific	48	46	93	272	429	706
Pend Oreille	20	20	40	124	231	484
Pierce	3,553	974	4,527	10,635	15,815	22,725
San Juan	18	21	39	81	83	195
Skagit	508	421	930	2,052	2,865	2,951
Skamania	35	16	50	119	156	241
Snohomish	2,128	542	2,670	5,820	7,604	12,702
Spokane	3,547	904	4,452	8,167	11,031	12,694
Stevens	127	29	156	441	830	1,597
Thurston	1,207	377	1,585	3,293	4,341	4,781
Wahkiakum			0	58	59	63
Walla Walla	217	109	325	702	1,195	1,873
Whatcom	515	274	789	1,978	3,095	4,144
Whitman	124	54	177	313	427	711
Yakima	991	1,362	2,353	6,880	11,016	14,196
State Total	26,801	14,131	40,932	87,474	127,966	162,679

[1] The 2000 Surveys of Child Care Centers and Homes was conducted from January through April 2000 with most of the interview information collected in February, 2000.

[2] DSHS' Social Service Payment System (SSPS) contains information on payments made for subsidized child care.

[3] Children receiving subsidized care at any time in 2000 according to SSPS.

[4] Based on 2000 Census estimate of children under 13 and 1995 Census estimate of percent of children under age 18 in poverty.

DSHS Office of Research and Data Analysis
2000 Survey of Child Care Centers and Homes

**Table A5. 2000 County Level Statistics:
Average Price of Full-Time Preschool Child Care**

<u>Counties</u>	<u>Centers*</u>	<u>Homes*</u>	<u>All Facilities*</u>
Adams	< 5 facilities	\$337	\$359
Asotin	\$384	\$349	\$378
Benton	\$431	\$382	\$408
Chelan	\$386	\$357	\$368
Clallam	\$403	\$481	\$444
Clark	\$476	\$430	\$461
Columbia	< 5 facilities	< 5 facilities	\$397
Cowlitz	\$384	\$449	\$398
Douglas	\$399	\$362	\$367
Ferry	< 5 facilities	< 5 facilities	< 5 facilities
Franklin	\$416	\$376	\$396
Garfield	< 5 facilities	< 5 facilities	< 5 facilities
Grant	\$401	\$392	\$395
Grays Harbor	\$418	\$405	\$413
Island	\$471	\$436	\$459
Jefferson	< 5 facilities	\$452	\$429
King	\$590	\$563	\$585
Kitsap	\$443	\$432	\$440
Kittitas	\$414	\$406	\$410
Klickitat	< 5 facilities	\$428	\$433
Lewis	\$387	\$412	\$393
Lincoln	< 5 facilities	\$359	\$326
Mason	\$394	\$422	\$411
Okanogan	\$355	\$358	\$356
Pacific	\$352	\$384	\$364
Pend Oreille	< 5 facilities	\$346	\$370
Pierce	\$453	\$400	\$441
San Juan	\$407	\$471	\$425
Skagit	\$470	\$500	\$479
Skamania	< 5 facilities	\$428	\$433
Snohomish	\$507	\$492	\$503
Spokane	\$411	\$398	\$408
Stevens	\$411	\$372	\$398
Thurston	\$451	\$415	\$441
Wahkiakum	< 5 facilities	< 5 facilities	< 5 facilities
Walla Walla	\$443	\$379	\$421
Whatcom	\$480	\$488	\$482
Whitman	\$460	\$373	\$442
Yakima	\$397	\$344	\$373
State Total	\$499	\$445	\$484

* Unable to estimate when fewer than 5 facilities in county.

Source: DSHS Research and Data Analysis
2000 Survey of Child Care Centers and Homes

APPENDIX B: COUNTY STATISTICAL MAPS

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Figure B1. Number of Licensed Child Care Centers, 2000

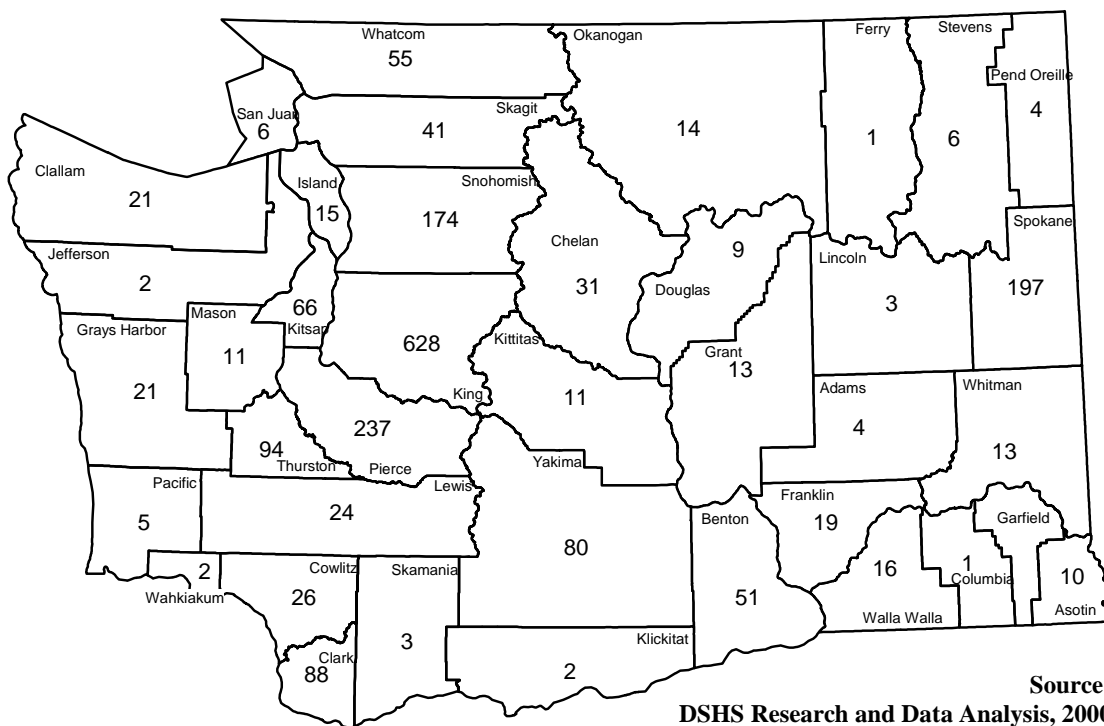
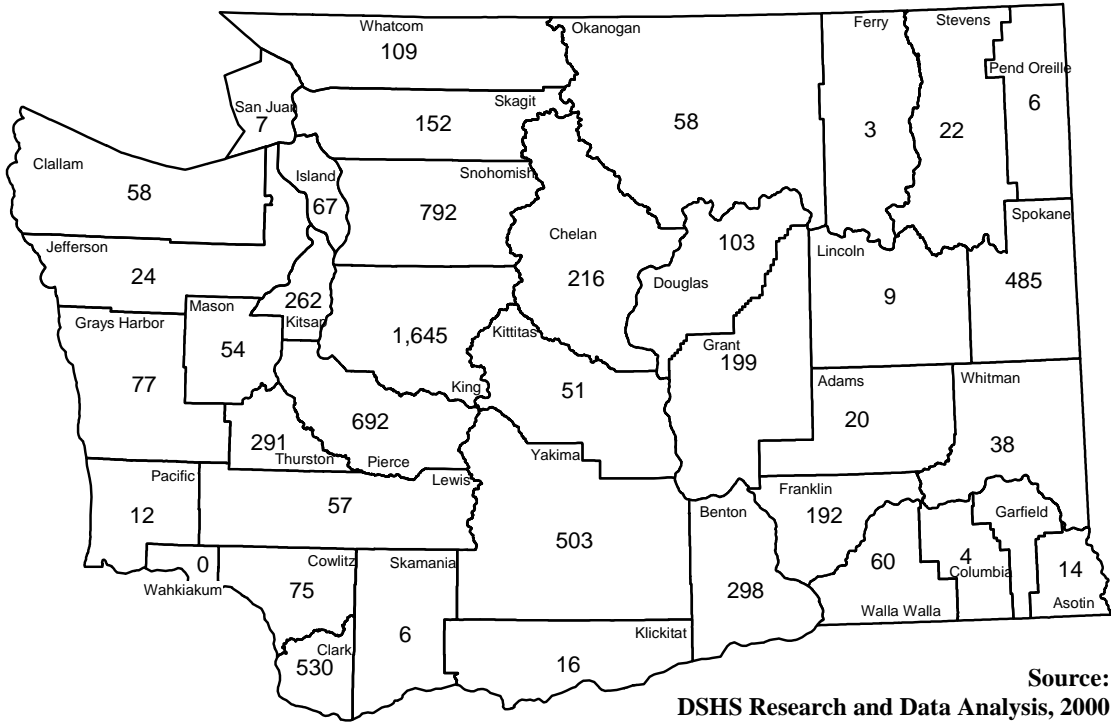
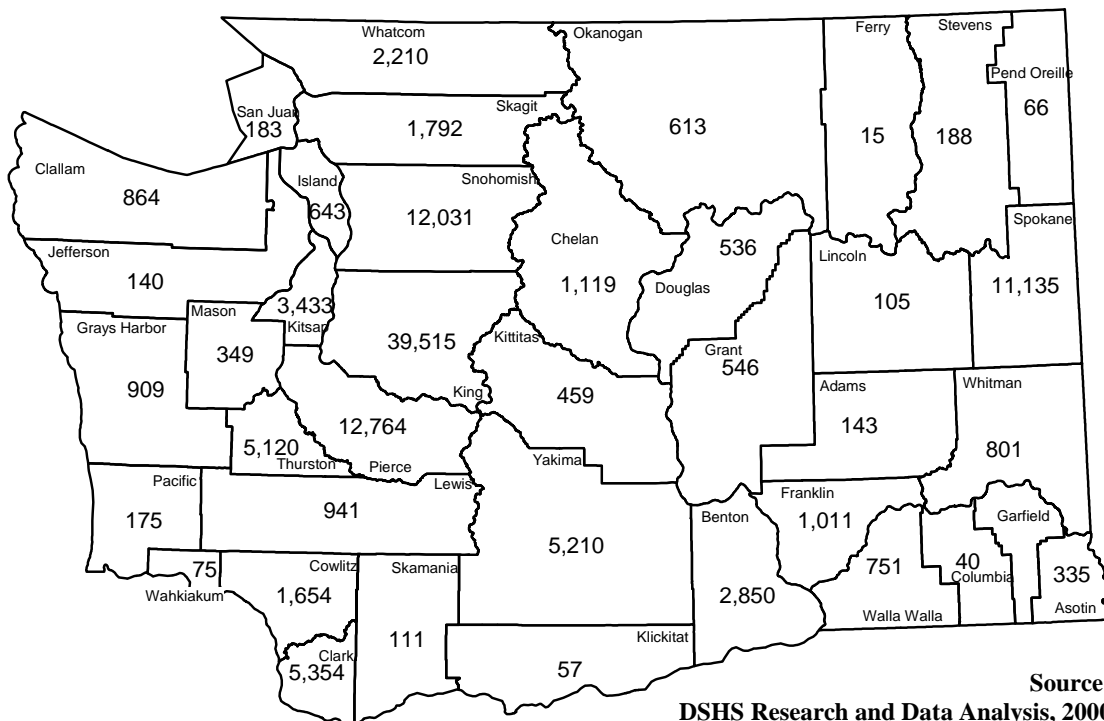


Figure B2. Number of Licensed Child Care Homes, 2000



Source:
DSHS Research and Data Analysis, 2000

Figure B3. Child Care Slots in Licensed Centers, 2000



Source:
DSHS Research and Data Analysis, 2000

Figure B4. Capacity of Licensed Family Homes, 2000

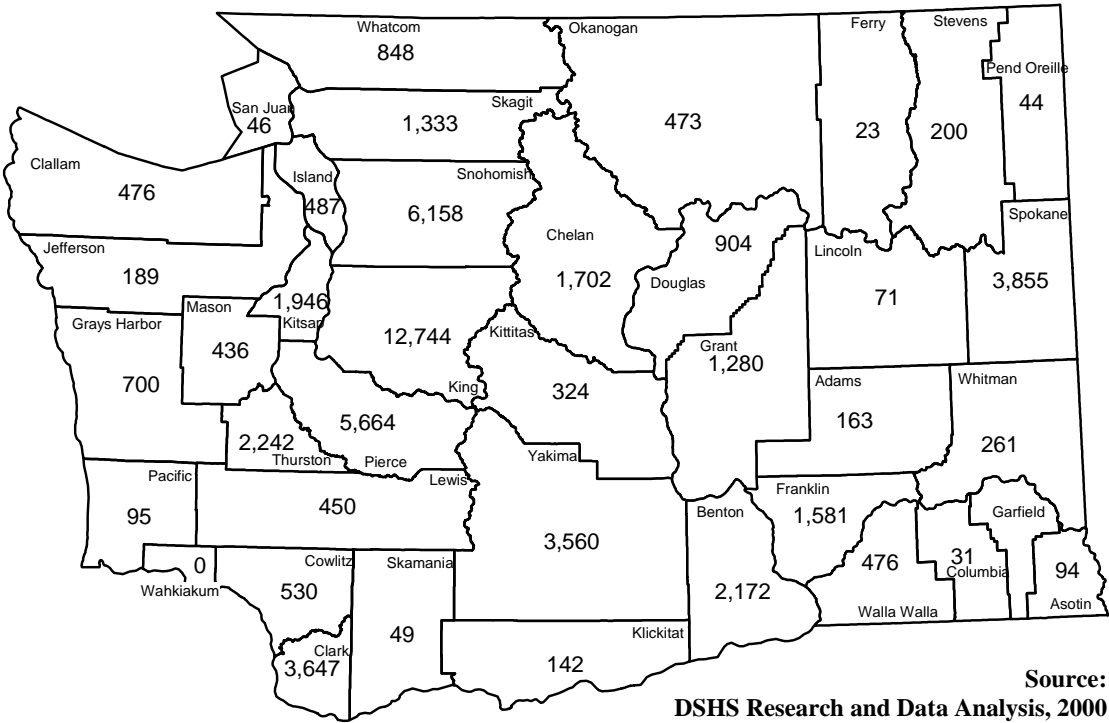
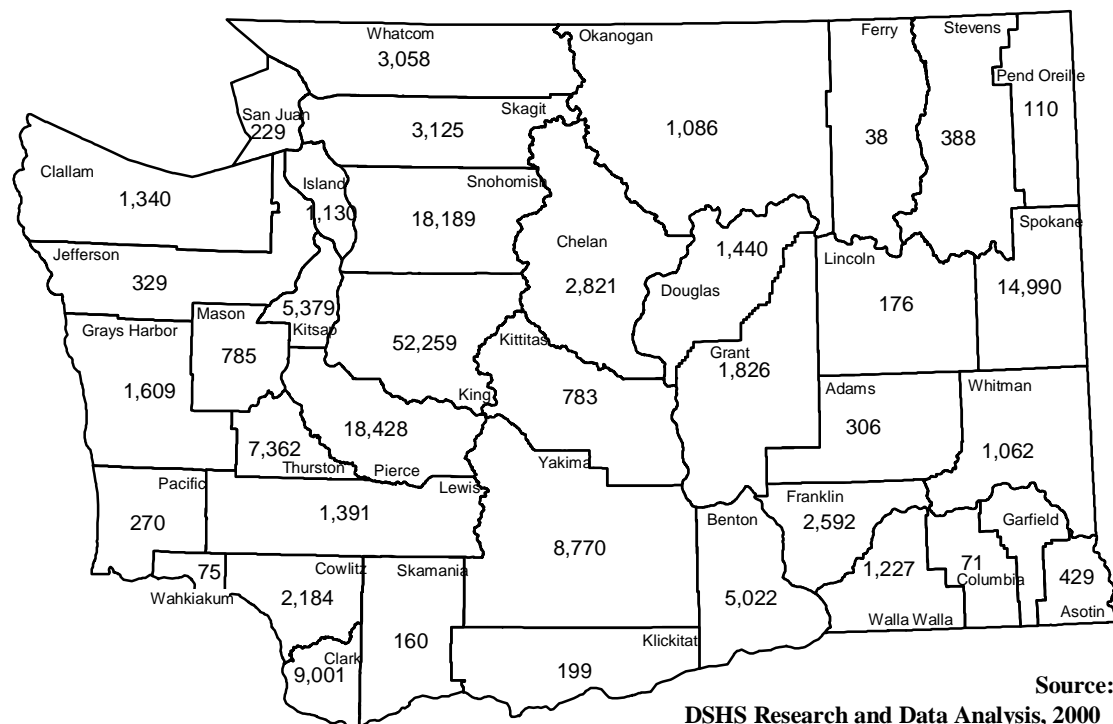
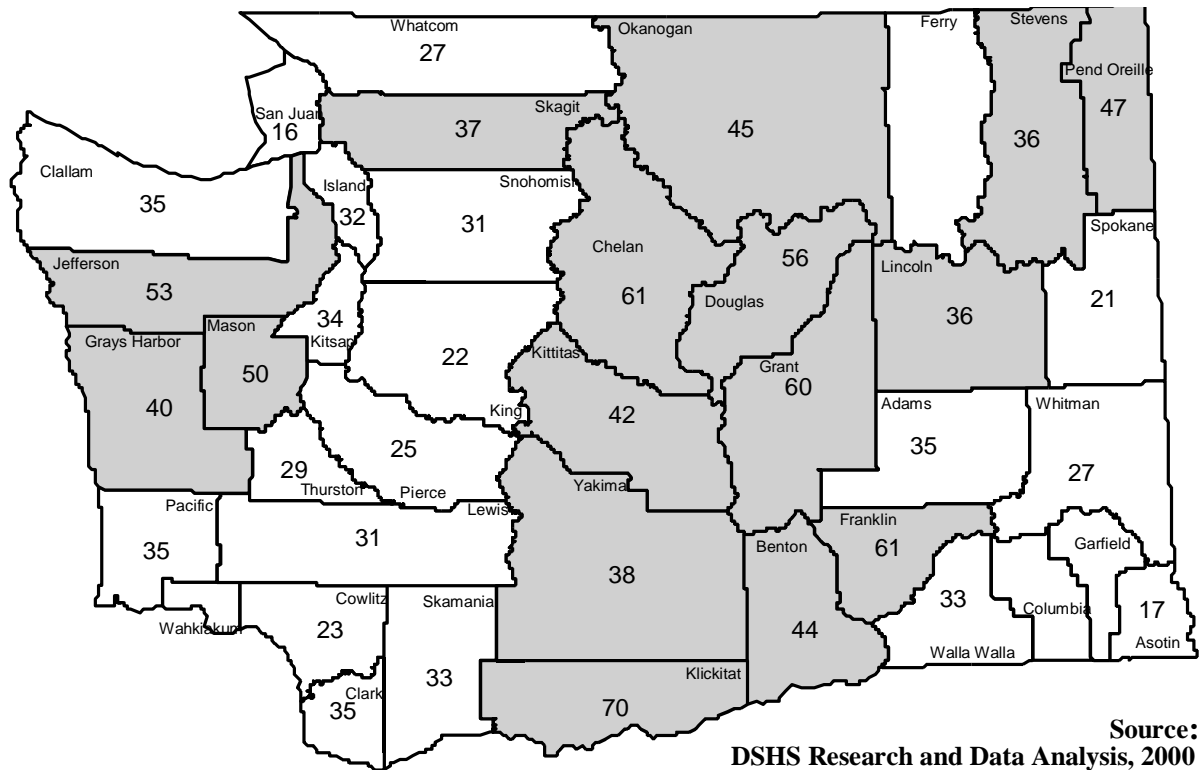


Figure B5. Total Licensed Capacity, 2000



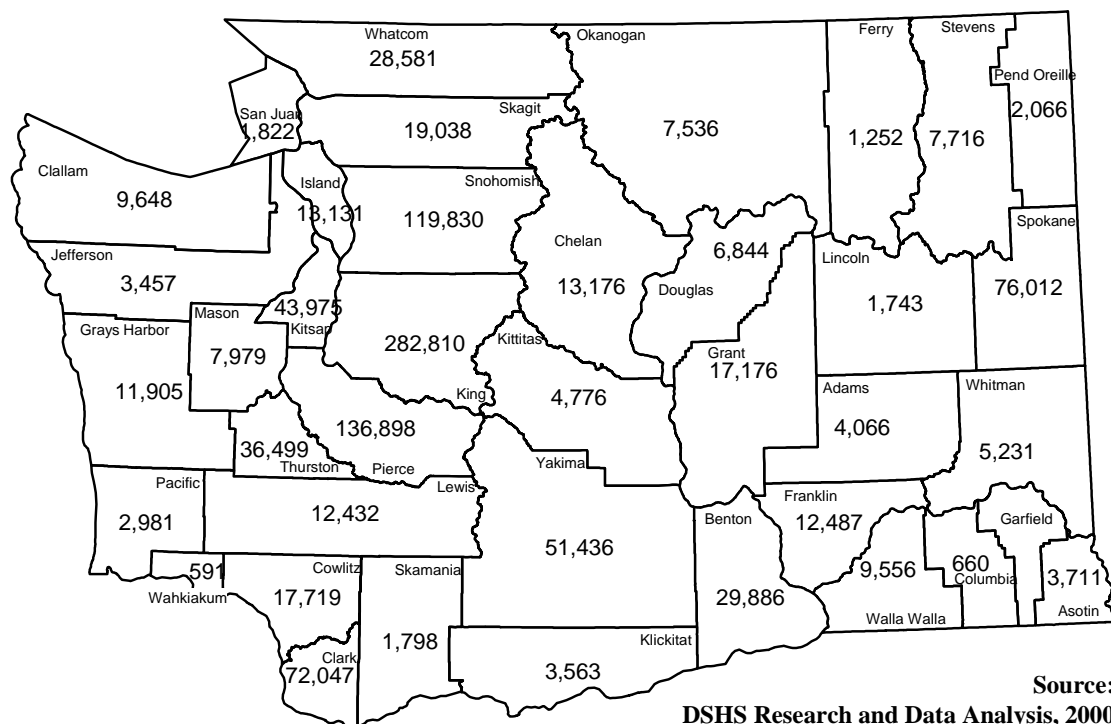
Source:
DSHS Research and Data Analysis, 2000

Figure B6. Percent of Children in Licensed Care that Attend Licensed Family Homes, 2000



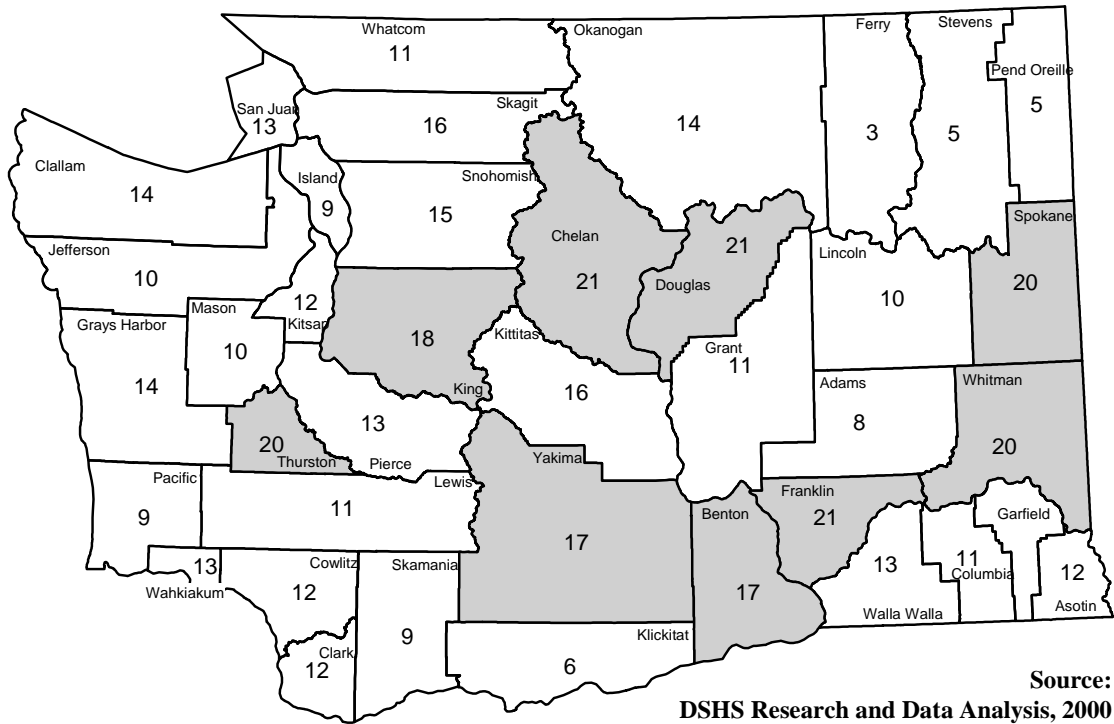
Note: Shaded counties had more than 35 out of every 100 children in licensed care attending licensed family homes in 2000 (the statewide average was 29 per 100 children in 2000).

Figure B7. Total Child Population (0-12 Years), 2000 Estimate



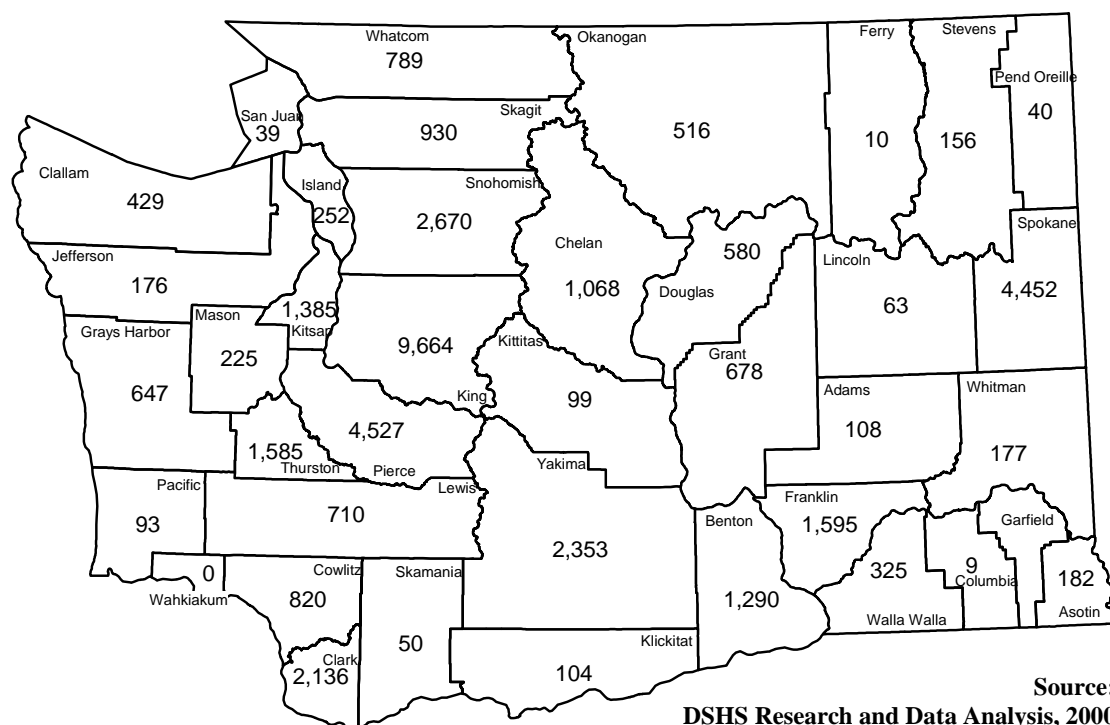
Source:
DSHS Research and Data Analysis, 2000

Figure B8. Licensed Slots per 100 Children, 2000



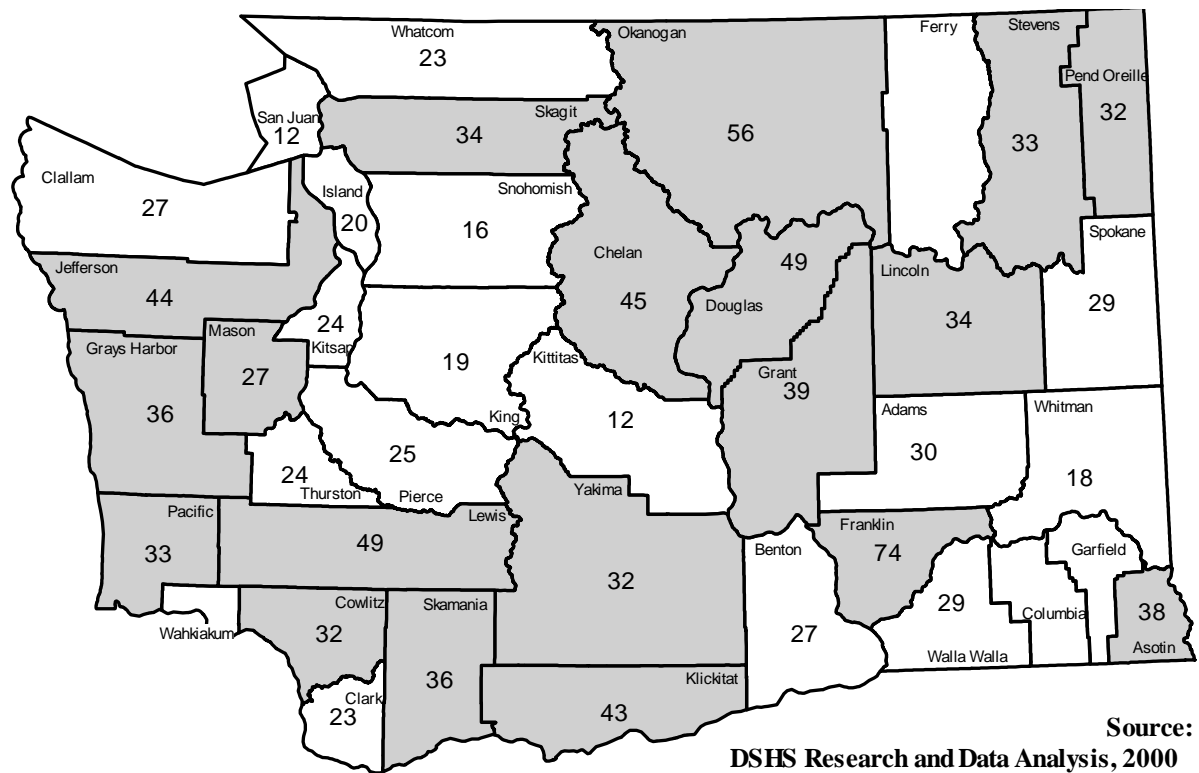
Note: Shaded counties had more than 16 licensed care slots per 100 children 0-12 (the statewide average was 16 in 2000).

Figure B9. DSHS-Subsidized Children in Licensed Care, 2000



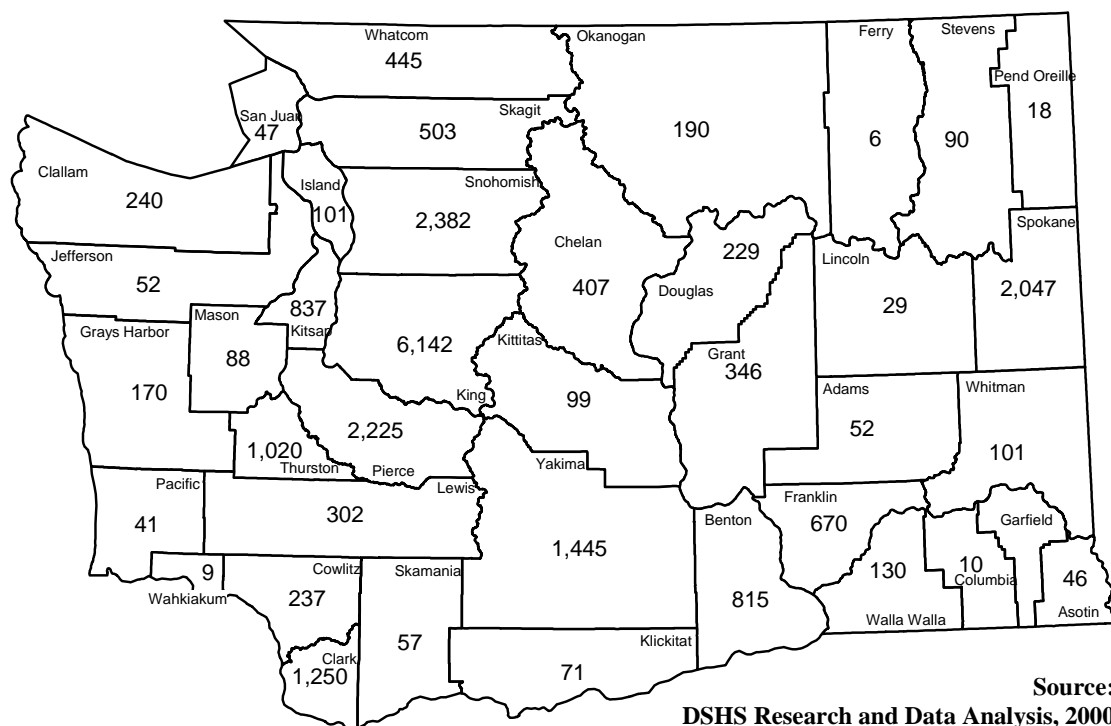
Source:
DSHS Research and Data Analysis, 2000

Figure B10 Percent of Children in Licensed Care Subsidized by DSHS, 2000



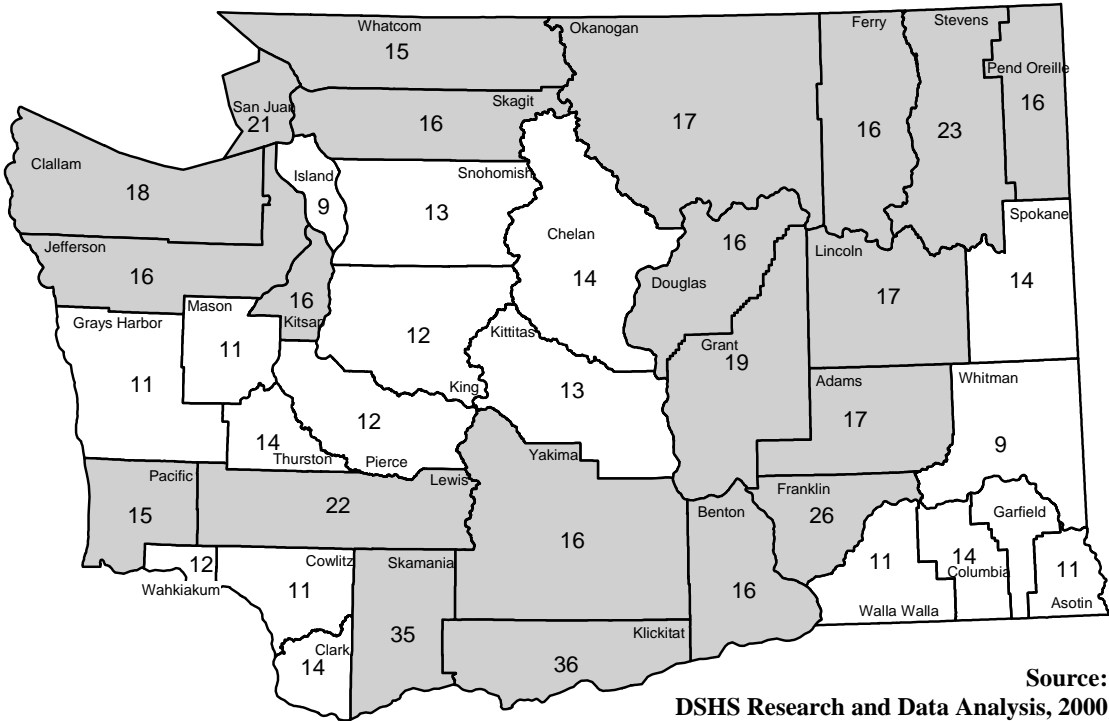
Note: Shaded counties had over 30 out of every 100 children in licensed care subsidized by DSHS in 2000 (the statewide average was 25 per 100 children in 2000).

Figure B11. Total Reported Vacancies in Licensed Care, 2000



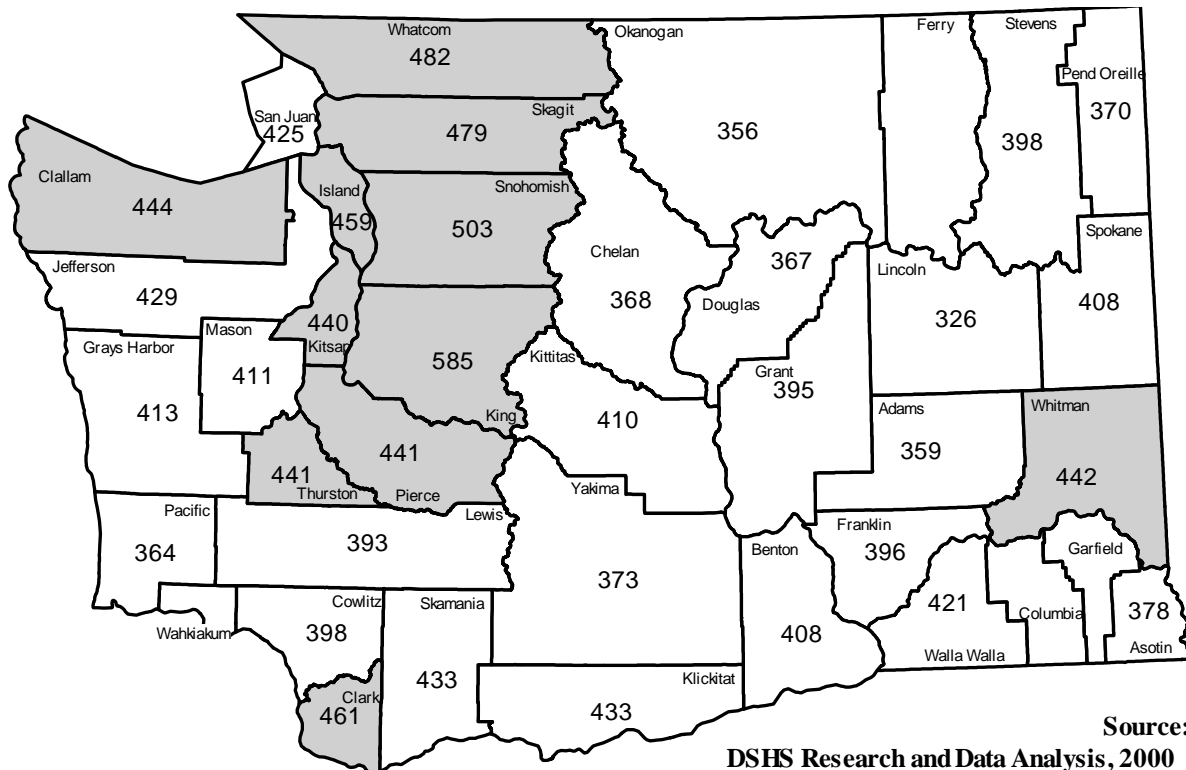
Source:
DSHS Research and Data Analysis, 2000

Figure B12. Vacancy Rate in Licensed Care, 2000



Note: Shaded counties had more than 14 vacancies per 100 licensed slots (the statewide vacancy rate was 14 in 2000).

Figure B13. Average Price of Full-Time Preschool in Licensed Care, 2000



Note: The average price of preschool was \$440 or more per month in the shaded counties in 2000 (the statewide average was \$484 in 2000).



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